
THE

House of Assembly Debates

(UNOFFICIAL REPORT)

PARLIAMENT 2003 – 2008

HOUSE OF ASSEMBLY

Tuesday, February 13, 2007

Pursuant to the adjournment, the House of Assembly met at 10.15 a.m. on Tuesday, February 13, 2007.

PRESENT

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

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

Mr. D. J. H. THOMPSON, LL.B. (Hons.) (Leader of the Opposition)

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

Mr. G. W. PAYNE, Q.C.

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

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

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

Hon. A. P. WOOD, B.Sc., M.Sc., M.Phil. J.P. (Minister

of Education, Youth Affairs and Sports)

Hon. R. R. FARLEY, B.Sc., J.P. (Minister of Housing and Lands)

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

Hon. Dr. 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.

Mr. H. F. LASHLEY

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

Mr. D. St. E. KELLMAN

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

Hon. T. A. PRESCOD, B.A. (Minister of Social Transformation)

Hon. J. J. S. ATHERLEY, B.A., B.Sc., J.P. (Minister of State, Prime Minister's Office)

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

Hon. C. A. MASCOLL, B.Sc. (Econ.) (Hons.), M.A. (Public Finance) (Minister of State, Ministry of Finance)

Hon. D. D. MARSHALL, LL.B. (Hons.), L.E.C. (Attorney General and Minister of Home Affairs)

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

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

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

Prayers were taken by Reverend Canon Ivan Harewood.

Mr. SPEAKER: The House is now in Session.

MINUTES

Mr. SPEAKER: The Minutes of Meeting held on Tuesday, February 06, 2007.

Hon. R. R. FARLEY: Mr. Speaker, it is my understanding that the Minutes were circulated, and subject to any observations or corrections, I beg to move that these Minutes be confirmed.

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

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

PAPERS

Hon. R. R. FARLEY: Mr. Speaker, I am commanded to lay the Annual Report of the Enterprise Growth Fund Limited, for the year 2006.

FIRST READING OF BILLS

Hon. R. R. FARLEY: Mr. Speaker, I beg to move that the Police (Amendment) Bill, 2007, be read a first time.

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

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

ORDERS OF THE DAY

SUSPENSION OF STANDING ORDERS

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

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

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

MR. SPEAKER: Honourable Members, before we move on with Government Business, because there is a vacancy on the Public Account Committee, the Honourable Member for St. John, the Opposition Leader, will now make his nomination.

Mr. D. J. H. THOMPSON: Mr. Speaker, thank you. I would want to nominate the Honourable Member for St. Philip West, to be the replacement on the Public Account Committee.

Mr. R. D. JONES: Mr. Speaker, I beg to second that.

MR. SPEAKER: Honourable Members, let us proceed.

GOVERNMENT BUSINESS

ORDER NO. 13 – SECOND READING OF THE CATASTROPHE FUND BILL, 2007.

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

Hon. C. A. MASCOLL: Mr. Speaker, I rise to continue this crusade of assisting the poor and vulnerable in this society; the people who are worthy and deserving of Government's attention and policy directives that would certainly redound to their benefit.

Mr. Speaker, this legislation today has to do with a Bill, which seeks to provide for the establishment of a fund, to be known as the Catastrophe Fund, to provide financial aid to any low-income earner, who owns and occupies a chattel house, valued at not more than

\$125 000, in circumstances where that house is damaged or destroyed by a catastrophe, within the meaning of the Bill. Sir, that is the intent of this piece of legislation here before us this morning.

Mr. President, let me say that, for me, this Bill constitutes future fiscal policies, in every sense of the word. I would go on to describe why I regard this as the beginning of a new policy emphasis for the Government of Barbados but this policy must also pass certain tests.

10.20 a.m.

Tuesday, February 13, 2007

(EDITED)

Mr. C.A. MASCOLL: It must pass the test of reasonableness; it must show consistency of policy across the Government; there must be clarity of purpose and, certainly, we must know on whose shoulders the incidence should fall as a result of the implementation of this Bill and the policy therein.

Mr. Speaker, from the point of view of future fiscal policy, let me explain that, as I see it, Government has embarked on a strategy of income tax reform, that over last four years would have seen the income tax threshold in Barbados increased from \$15 000 to \$17 500, to \$20 000 to \$22 500 per year and now, at the beginning of 2007, the level of income below, which Barbadians will not pay income taxation is now \$25 000 per annum.

Mr. Speaker, those are the kind of policies that would excite anyone but, I say that this is part of future fiscal policy because, if you accept the strategy of Government of leaving a certain given income level from taxation and then putting greater emphasis on indirect tax to perform the duty of raising revenue for Government, then you would recognise that there is a whole set of workers in Barbados, who would stand to benefit from such.

Mr. Speaker, what is significant about today's Bill is that it is triggered by the need to provide insurance or some kind of assistance to low-income Barbadians, who own chattel houses but have found it difficult to get insurance either because of the risk involved for the insurance company or because of the inability of the individuals to access and acquire insurance or for whatever reason. Sir, it must be emphasised that today's policy is directed at a person, who owns and occupies a chattel house and that is extremely important.

Mr. Speaker, there are some 33 000 such dwellings in Barbados. In fact, in Barbados, there are approximately 83 000 dwelling units, of which 33 000 happen to be wood

or wood and concrete. Sir, of those 33 000, only 25 per cent is insured so, there are several persons in Barbados, who own and occupy their housing units but they do not have protection against disaster, they do not have protection against a catastrophe. Therefore, for me this is the crusade of this Government to ensure that persons, who are within a vulnerable space are being denied access to such insurance, that it is the duty of any caring Government to so provide.

Mr. Speaker, the reasonableness in this policy can be seen in the fact that Government is seeing it fit to ensure that persons in the lower socio-economic rungs this society, will still have access to basis needs, whether they be in the area of clothing, work or shelter but, more important here today, in the area of insurance.

Mr. Speaker, the consistency of this policy, in someways, allows me to address a matter, which is currently in the public domain, that is, persons, who own chattel houses in the vicinity of Kensington Oval and in the vicinity of Bridgetown and, who are currently experiencing upliftment in their surrounding as a result of a positive and caring policy on the part of Government, are now going to be in a position, where they will have further protection from a caring Government in the area of disaster preparedness or any eventuality resulting from catastrophe.

Mr. Speaker, therefore, I am suggesting that for me that constitutes a serious crusade on the part of Government to ensure that the most vulnerable in this society has access to the most basis needs, whether they are going to be provided by themselves or instituted by the Government of the day.

Mr. Speaker, therefore, I am saying that there is absolutely no need to be defensive about such posture; there is no need to be defensive about such a policy because it seeks to enhance the lives and well-being of a whole cadre of individuals, who otherwise would remain exposed and vulnerable to the ravages of nature.

Mr. Speaker, in that regard, I am saying that the policy appears to be holistic because, not only is Government seeking to take care of the product itself in showing a desire to refine and refurbish the product but now Government is seeking to ensure that in the event that product is effective, it would be fully insured and fully secured for the owners and occupiers of chattel houses in Barbados.

Mr. Speaker, there are some in our midst, who said that a chattel house is dark and should not be given to the people of Barbados. There are some in our midst who said that it makes no sense, apparently to them, to build chattel houses for the average Barbadians. Sir, I am suggesting that as we speak here today, that the very housing factory

that was condemned is now up, running and producing houses on behalf of the good people of Barbados.

In fact, if I may say it to the Honourable Member for St. Philip South, your constituents have secured employment at Six Roads and this is going to be a venture that would provide chattel houses for the average Barbadians. Sir, you can see the holistic nature of Government's policy and what I refer to as a crusade to ensure that ultimately, the average Barbadian is going to be secure, knowing that his space is fully defined, within the economic landscape of Barbados.

Mr. Speaker, therefore, it cannot be said that any recent attempt to ensure that small people provide their own services and own talents to ensure that the upliftment of their surrounding especially as it relates to chattel houses should be condemned. Sir, it cannot be condemned and there is no need for any member of Government to take any defensive posture with respect to what is occurring because it is occurring on behalf of the average Barbadian, who is at the lower socio-economic level in this country.

Mr. Speaker, I have no apologies to make, I will not back off and I am, therefore, saying that let whoever want to continue on that path continue because they will do more damage than good for the person, who is seeking to represent that area. I say that because I know that you cannot approbate and reprobate at the same time. You cannot say that Government's procurement, especially as it relates to chattel houses in this country, should not go to the small people of this country. You cannot say that refurbishing your chattel house stock, which happens to be in the order of 33 000 should not first be addressed by those who are capable and then say that you have concerns, only because of whom is coordinating the effort. Sir, let that person use the same Public Accounts Committee, where there are no audited financial statements to investigate because all they would do is succeed in making the owners and occupiers of the chattel houses even more secure in their circumstances. Mr. Speaker, I have no difficulty with respect to that and I do not that anyone in their right minds should back off from it.

Mr. Speaker, let me focus specifically on the Bill before us. I have referred to the question of reasonableness; to the question of the issue of consistency of policy and now, let me show you the consistency of policy that is being pursued by Government.

H124/10:30

Sequence 3

Tuesday, February 13, 2007

Mr. C.A. MASCOLL: Sir, only a quarter of the existing chattel houses in Barbados are insured. This Catastrophe Fund would not be able to cover each and every owner/occupier of a chattel house, because as in any insurance you benefit from your contribution. Therefore, the benefit principle is invoked in giving insurance. Similarly, a benefit principle is invoked in the National Insurance Scheme, because it is an insurance scheme.

Mr. Speaker, you, therefore, have to limit the coverage, and by way of consistency, it has been determined that a dwelling unit valued at \$125 000 or less, would in fact, qualify for access to such a fund. That \$125 000 is consistent with Government's decision to relieve property taxes on any house and land valued at \$125 000 or less, therein lies the consistency of the policy.

Sir, the consistency of the policy continues. When this piece of legislation was contemplated, the income tax threshold in Barbados, last year, was \$22 500 per annum. Therefore, in addition to ensuring that the house and land is less than \$125 000, Government has also ensured that persons who earned less than \$25 500 per annum, which was the income tax threshold for last year, would be another criterion in qualifying for access to the Fund. That is consistency of policy. It was not done willy-nilly, it was done as a direct result of focusing on the other fiscal policies that were put in place, over the last few years. Sir, to the extent you are seeking to offer such benefits to an individual, you have determined by way of measured performance, that three criteria would exist. One, the person must be a owner/occupier, two, the person must value \$125 000 or less, and, three, the owner must in fact have an income of \$22 500 per annum.

Sir, you could say if there are persons in the household who also earn income, that you can sum the income to determine the household income. Now, that would complicate matters, because this is not a measure of property. This is not about how many persons are in the unit or how many in the dwelling unit are employed. It is specific, because it relates only to a person who owns and occupies the chattel house, so you could not include all the persons. If there is a family in a chattel house, where there are two other persons working, you do not take into account their incomes in determining whether they have access.

Mr. Speaker, that certainly has to be understood in its correct context, because some people may feel that in measuring property, you need to look at the overall income of the household. Therefore, if there are two sons or a daughter around, you sum their incomes and make some determination. It does not work so culturally in Barbados, because we know that there are young men and women, especially young men, who may live at home, but who may have the responsibility for other households. Therefore,

their incomes may not necessarily be spent at the household that they happen to sleep at or occupy, because they have children somewhere else that they have to take care of. The important thing here is not to confuse a measure of property, with one access to a Catastrophe Fund that has put certain criteria in place, for the access to be made. Sir, therefore, the question of who gets access is very clearly defined in this Bill.

Mr. Speaker, on the question of the incidence, it is recognised that Barbadians who earn less than \$25 000 per year, as at January 2007, are, in fact, not paying any income taxation at this point in time, but those Barbadians are the ones we are seeking to assist in the Catastrophe Fund, because if you earn \$22 500 income per year, you do not pay income tax. Sir, therefore, because of that, the Government had to make a decision. How do I fund this Catastrophe Fund? How do I go about putting resources in it? It has made two decisions, one, that Government, over the next five years would put each year \$2.5 million in the Fund. The Government, using the principle of reasonableness, said, if you are going to get a benefit from a Catastrophe Fund, even though you do not pay income tax, I will ask that you make a contribution from your National Insurance. That is a test of reasonableness in the policy.

Mr. Speaker, even though the individual does not pay income tax, the persons whom we are targeting are the ones below the income tax threshold. The only way that you can reasonably ask them to make a contribution, is by way of their National Insurance Scheme. Therefore, the Government has decided that 1000th of your income will be a contribution.

Mr. Speaker, what do I mean by that? The current income tax threshold, the current National Insurance Scheme, has a maximum earnings level of about \$3 200 per month, that is the maximum you pay in National Insurance. Therefore, 1000th of that happens to be \$3.20 per month, so you are asking a Barbadian to make a contribution to a fund of about ten cents per day, that is what you are doing. You are asking that individual to contribute only \$3.20 per month.

Sir, I really cannot think of a more reasonable thing to ask of a Barbadian, who even though he may not have access to the Fund, is going to make a contribution in the event that there is a catastrophe in Barbados, to the replacement of a chattel home, owned by a Barbadian who earns less than \$22 500 per year. Sir, I repeatedly say \$25 000 because I think that Government intended, when this measure was put in place, for persons below the income tax threshold not to pay or the ones who could have access. Mr. Speaker, today, as I speak, that \$22 500 has moved to \$25 000. I think that in some ways I am anticipating the next step, on the behalf of the Government.

Sir, if a person earns \$200 a week in Barbados, you are asking that person to make twenty cents contribution to the Catastrophe Fund, I repeat, twenty cents. If the person earns \$15 000 per month, you are asking that person to make a contribution of \$1.50 per month to the Catastrophe Fund. I cannot think of a more reasonable position on the part of Government.

Mr. Speaker, some may argue, if I am not getting any benefit from the Catastrophe Fund, I should not be making a contribution to it, that would be unreasonable, because persons over that income tax threshold have recently benefitted from an additional relief in income taxation starting January 2007. Therefore, to that extent, I am saying that we are asking Barbadians to make that kind of contribution to a fund that would redound of the benefit to the average Barbadian.

10.40 a.m.

Sequence 4

Tuesday, February 13, 2007

House 124, sequence 05, 10.40 a.m.

Mr. C.A. MASCOLL: Mr. Speaker, when I opened this debate, I said that there should be clarity of purpose, in policy. I am suggesting that over the next 10 to 15 years, there will continue to be income tax relief for Barbadians. Sir, the Government would have to continue to target persons to derive benefit from policy. Therefore, the difference in policy in the future will be that the Government will identify those who should benefit from a tax policy, and the benefit principle would kick in, in terms of determining what future tax on income would be, in Barbados.

In short, there will no longer be the willy-nilly imposition of taxes on incomes. There will be targeted expenditure, and benefits would be derived. Mr. Speaker, in that regard, we can anticipate that this will constitute the beginning of future policy in this country.

I cannot think of a better piece of legislation to bring before the Parliament of Barbados at this stage. It comes at a time when there is discussion over the repairs to chattel houses in the city area. It comes at a time when people are benefiting from such, and this is just to consolidate on such policy initiatives.

I want therefore to address a whole set of issues that would have brought us to this stage. Why was it necessary to go the route of introducing such legislation, on behalf of the very poor and vulnerable in this society?

Mr. Speaker, we need to understand what we mean by a catastrophe. This is described as: "A catastrophe caused by an earthquake, a storm surge, a sea surge, a hurricane, a fire, flooding, lightning or any other force of nature." In short, Mr. Speaker, it is an unfortunate event that has occurred, which would have given rise to the damage of a chattel house.

We have seen only recently in Grenada, with Hurricane Ivan, that there was substantial damage done to the housing stock in that country. This is an attempt here to ensure that, in the event there is a natural disaster in Barbados, we would be in a position, as a Government, to do something meaningful, which was planned and predetermined. This would avoid having to be running about to secure any kind of funding to assist people, who would have suffered such loss. Sir, it is organised. It is anticipating danger. It is what we have to do to protect those who are most vulnerable in the society.

Mr. Speaker, if you cannot govern with the underprivileged in mind, if you cannot govern with the low-income people in mind, if you cannot govern with the elderly in mind, if you cannot govern with the homeless in mind, if you cannot govern with the unemployed in mind, then there is no reason to govern.

Sir, it has always been the case that at the heart of governance, was the ability of a Government to take care of those who are unable to take care of themselves. In fact, that was the reason for Government in the first instance. It was the reason taxation was compulsory because it was an attempt to take away from those who have, by way of legislation, to offer assistance to those who do not, and this is simply within that vein.

The Fund is to be established, as I said, from contribution by Government but more important, Mr. Speaker, after five years, Government is going to exit from this Fund, then, this Fund would be managed by the National Insurance Scheme, in a way that realises returns on investment, such that it becomes a sustainable and viable Fund. It would be managed in a way that would guarantee that any monies accruing to this Fund, would redound to the benefit of the average low-income Barbadian, and that holistically, you could see Government approaching governance of the poor, the vulnerable, the underprivileged, and the powerless. In fact, this is the mission of this administration, how now to put structures in place that effectively deliver proper governance on their behalf.

I want to go on to suggest that a chattel house, for the benefit of this legislation, is defined as: "A house that is substantially constructed of wood, if at least 75 per cent of the house is wooden." Therefore, Mr. Speaker, you are appealing also to the emotions of persons, who are going to

make contribution. Sir, all of us who have moved socially upward in Barbados, who occupied spaces in the New Orleans, who came from Chapman Lane, Whartons Gap, and the surrounding areas and the environs of Kensington, would always recognise that they were fortunate to have benefited from the educational facilities in this country, and would have moved socially upwards to the heights and terraces, as a result.

Sir, they would never forget that in the majority of cases, those individuals would have come from the very environs, which have become controversial, where we occupied spaces in a chattel house for many a year. Therefore, to identify a chattel house for such a Fund is to remind those who have moved socially upwards, from whence they came. It would be much easier to sell such a policy to an individual, who in his early stages of life would have lived in a chattel house, but has now moved to live in a wall house.

Sir, you can play to his emotions and you can ask him these questions. Do you recall the days when you lived in a chattel house? Do you understand the need to be protective of the very area from which you sprung, and the very people from whence you came? Do you understand that can make a contribution to their sustainability and viability in this society? Sir, that would not be difficult to sell to any person who has a caring heart.

Mr. Speaker, the whole question of the Catastrophe Fund would use, by way of regulation, certain conditions for access and the criteria. They would be individuals, predominantly from the civil service, who will sit on the Committee, on behalf of the Government.

The members of the Committee will be the Supervisor of Insurance, the Director of National Insurance, the Chief Fire Officer, the Accountant General, and two other persons appointed by the Minister of Finance. Now, this will not be willy-nilly. This would be left to a committee of very solid civil servants, who on a daily basis, carry out the work of Government, and who have the capacity to determine whether or not an individual should have access to the Catastrophe Fund, on the basis of analysis.

Mr. Speaker, some people have expressed concern that we do not have some lighter weight people on the Committee. It is believed that some civil servants may tend to be too rigid and bureaucratic in their approaches to delivering such, for the average Barbadian. Sir, you have to recognise that this Fund, even though it is considered to be an insurance scheme, in the typical sense, will have to take into consideration, issues that will normally be in the domain of an insurer, to determine whether or not an individual should benefit by a magnitude of X or by a magnitude of Y.

House 124, sequence 05, 10:50:19

Tuesday, February 13, 2007

Hon. C. A. MASCOLL: In short, Mr. Speaker, I am suggesting that there are issues of a complex nature that would have to be determined by the Committee. In this regard, the Committee reflects the need to have such competence in its members in order to make such judgement.

Perhaps, there is a need for maybe a priest who is a social worker, or maybe a social worker in himself or herself to be on the Committee to bring a lighter spirit or heart to the Committee, but I think that we understand the nature of the Committee. This Committee is going to be technical in scope because it has to make decisions of one kind or another.

Mr. Speaker, I think it is proper for Government to recognise its need to contribute to this Fund initially, but then allow for it to be carried by the working people of Barbados. Mr. Speaker, this introduces the notion of incidence as far as public policy is concerned. What you are doing here is that you are allowing persons who would not have access to the fund to make a contribution, and you are also allowing the entire workforce of Barbados to participate in delivering a fund that will redound to the benefit of low income Barbadians who are in a very vulnerable position. This, therefore, gives a wider scope of incidence to the project or to the fund and allows for the rate that you are charging to be lower.

Mr. Speaker, if this were confined to a smaller group of individuals, it would not have been conceivable to make them contribute or ask them to contribute 1000th of their salary, because if you narrow the base of the incidence or the Fund itself, you would have to increase the rate in order to be able to collect a more reasonable level of revenue for the Fund.

Mr. Speaker, again, you can see that it is not willy-nilly in its scope or in its concept, but is in fact designed to appreciate the basic tenets of public policy and to recognise that incidence is as critical as any other tenet of public policy, as it relates to the burden that an individual would carry. Mr. Speaker, the maximum burden, I repeat, is only \$3.20 for the highest contributor to this fund over the course of a month.

Mr. Speaker, can you imagine having to make only a minor contribution of less than \$5 per month to a Fund that would bring such benefit to an average Barbadian? Mr. Speaker, can you imagine paying less than 10 cents per day to a fund that would bring such benefit to an average Barbadian?

Mr. Speaker, can you imagine what it would be like to know that you are making a contribution, in the event of a disaster or a catastrophe, to the replacement of a home for an elderly Barbadian who would have made substantial contribution to this country? Mr. Speaker, can you imagine how it would feel to know that there are eight or ten persons living in a three-bedroom chattel house that suffered from a catastrophe and you are able to make a contribution by way of your monthly stipend to the upliftment or the replacement of such a facility for an average Barbadian?

Can you imagine the pleasure, Mr. Speaker, you could get out of being directed by Government's policy that is efficacious in nature, that is effective in its delivery and that can satisfy more than one objectives because of what it brings to the average Barbadian by way of the replacement of a house?

Can you imagine, Mr. Speaker, what it is for you to reflect on the days when you live in a chattel house, knowing how vulnerable it was to the wind, the rain and lightning, but now others coming after you no longer have to worry about the risk involved? Can you imagine that, Mr. Speaker?

Asides.

Hon. C. A. MASCOLL: It is a policy that gives you pleasure and the desire to be on a crusade to uplift the average Barbadian. It is a policy that makes you feel great to be part of an Administration that is caring. It is part of a structure, a consistency of policy, that is critical to ensuring that not only do those who have, benefit in this economy and society, but that the most vulnerable also benefits. I feel extremely proud to be part of it, Mr. Speaker.

I will go on, Mr. Speaker, because we have to understand that the viability of this Fund is determined by its access. Mr. Speaker, while we are putting in place a Catastrophe Fund to assist average poor Barbadians, we are hoping that we would hardly have to call on that Fund in the initial stages, because what you do not want is that you put a Fund in place this year and then there is a hurricane season that ravages Barbados to the extent that it destroys the whole principle and concept of the Fund. Mr. Speaker, we will continue to pray that this Fund would have a long enough gestation period to be able to build up its resources that would allow for effective delivery of policy in the foreseeable future.

Mr. Speaker, it is part of a consistency of policy, but you cannot reach this kind of thought process without principle or unless you understand where you want to take a country and a society. In short, you have to have a vision. Mr. Speaker, you cannot hope to manage a process that you do not understand or hope to manage a country when you

have not clearly defined where you want to take that country. It is really chalk and cheese, Mr. Speaker.

Mr. Speaker, I want to go on because when we put this Fund in place, we would have certain conditions that would have to be satisfied. The Bill states that the Director of National Insurance shall, in respect of each financial year, submit to the Minister, not later than three months after the end of every financial year, a statement of the Fund's accounts; and a report to the investment portfolio and other economic activity of the fund.

Mr. Speaker, this is extremely important, because as I said, you do not want for a situation to occur where there is a disaster and you cannot say what kind of assistance you could give to the people of Barbados.

Mr. Speaker, I want to reiterate that this Fund, while it is clear in its purpose and reasonable in its intent, is not singular as a policy instrument for Government, because the Urban Development Commission, the Rural Development Commission, and other social service delivery agents in Government would continue to provide assistance to average Barbadians. Mr. Speaker, this is not a stand-alone, this is really an attempt to put in place a more structured fund or policy that would cater to the needs of those who suffer from disasters and catastrophes.

Mr. Speaker, the Bill also states that the Minister shall, within four weeks of receiving the reports and the statements submitted under section 9, lay them before Parliament; so there is a process, as there is in governance. You cannot make a decision that you want to rid an individual of the opportunity to coordinate activity on the behalf of owners and occupiers of chattel houses and then publicly give the impression that you could set up hurriedly, for whatever reason, a Committee that should have functioned a year ago, to now pursue a cause called the Public Accounts Committee because of something that happened in the city, it cannot be done that way.

How do you get evidence to verify? How do you get financial statements that are unaudited? How do you get access to information in order to bring or prosecute an individual? You cannot prosecute on the basis of belief, desire or assumption or on the basis of who is coordinating the effort, you have to prosecute on the basis of whether or not the process is right or wrong. It cannot be done.

Asides.

Hon. C. A. MASCOLL: Mr. Speaker, with a process that is clear in its purpose, a process that allows for small contractors to access resources of Government and a process that allows for a small contractor not to go beyond \$20 000 per household, because that is the limit in that venture, how could you now seek to impose, by way of

propaganda, to the public of Barbados that one young man has access and control to over \$2.5 million?

House 124 Sequence 6

11.00 a.m.

Tuesday, February 13, 2007

Hon. C. A. MASCOLL: Mr. Speaker, how could he have access and control? The young man is not even a Minister and neither does a Minister have such control. Therefore, how could this individual now write cheques and give individuals about the City access to funds, over which he has no control? How could he be spending \$2.5 million and it does not cause a real cry? It cannot happen, it does not happen that way.

Mr. Speaker, let me confess to you, my greatest surprise, on the assumption of Ministerial post in Barbados, is to recognise some times my impotency. I am saying we do not have access to money. We cannot sign anything. It is not done that way, there is a process, so that even if I wanted something to happen, I cannot write a cheque and make it happen. I cannot send somebody to work. I recognised it, it has been the most shocking thing for me because I thought that, on becoming a Minister, I could take care of the people. But it is not done that way. Sir, similarly, there is a process here. How do we now set up a fund that takes care of persons, who own and occupy chattel houses?

Asides.

Hon. C. A. MASCOLL: It is a bad word for some persons, as they have never lived in one, apparently. People are saying that inside a chattel house would be dark. Sir, I have lived in a chattel house for most of my life and they are cozy, warm and bright inside. Sir, let me say something, in relation to being cozy, wall houses are a joke, when compared to chattel houses.

Asides.

Hon. C. A. MASCOLL: Mr. Speaker, this piece of legislation is so heart-warming, that I can speak to it for the entire day. It is so cozy, but it must go contrary to certain expectations in this Parliament. Sir, it was never expected that a Government would seek to put in place such a fund that would redound to the benefit of people who own chattel houses in Barbados. It was never expected that Government would find a way to offer Government's procurement to average Barbadians, as has happened in the 1950s. Therefore, when people parade that these things could not happen and they turn up to be happening, persons now find a way of saying that if it were "Billie", it would have been okay, but it cannot be the Colonel.

Mr. Speaker, why would it make a difference, if it were "Billie"?

Asides.

Hon. C. A. MASCOLL: Mr. Speaker, I see it as a wonderful opportunity. It makes me proud to be part of a Government that is embarking on such a crusade that would bring benefit to the average Barbadians.

Asides.

Hon. C. A. MASCOLL: Mr. Speaker, let me explain by way of some information why this had to happen. Sir, I am going to say this and I have said it before; in as much as we would love to see all concrete houses and structures in Barbados, to those who believe that is a sign of progress or a sign of upward, social mobility, I can tell you I would never wish to see it.

Mr. Speaker, I have recently returned from Singapore and I saw a country that has to house four million people, on the size of a country such as St. Lucia. Sir, all I saw was concrete structures, and thank God that Singapore is in the monsoon area and therefore as a result, there is so much rain, that flowers and trees, to offset the concrete. I would not love to live in a country where all I could see every day would be concrete.

Mr. Speaker, I understand there is a correlation between the kind of material used in the housing construction and the development that is being made as a country but there is also something called culture. Therefore, the vernacular, as it relates to housing construction, is important and critical to the culture of Barbados. In fact, as I speak to you, there are going to be eight new houses provided in the same the City area, for average Barbadians but they would not be built like the existing Urban Development Commission and Rural Development Commission houses, they are going to have the old-time roof that has a deep pitch. They are going to have the old-time jalousie windows, to bring a certain element of "Barbadiana" back to the country. It is remarkable architecture. Why move away from it, to please who?

Mr. Speaker, the point I am making is that Singapore, for all its development, is lacking in that kind of culture and I would not wish to see it happen here. Therefore, of the 33 000 houses that are wooden or built out of wood and concrete, I know, from the Census data, that 50 per cent is already over the age of 25 years, so that there are still hundreds and thousands of houses to be renovated, to be refurbished and to be replaced in Barbados. There is, therefore, still the need to have chattel house catastrophe fund insurance because for the foreseeable future, the architectural landscape of Barbados

would be punctuated by wooden structures, such as chattel houses. Sir, we cannot get rid of those in the foreseeable future.

Sir, furthermore, especially in the City area where there is a culture itself, where houses are separated by a gate or sometimes by a door, it would be impossible to push down those houses and replace them with wall structures because it would not satisfy the Town Planning Department requirements. It, therefore, means that even if you wanted to refurbish the houses in the Orleans, Wharton's Gap and Chapman Lane, you would have to replace existing chattel houses with chattel houses. Therefore, the days for chattel houses are going to be long.

Sir, no Opposition Party should complain about a catastrophe fund, which is seeking to replace a committee that will assist in replacing a chattel house, in case it is damage or destroyed by a hurricane, fire, lightning, flood or any other natural disaster. No Opposition Party can complain, when Government recognises that only 25 per cent of all existing chattel/wooden houses are insured and therefore has determined that, for the future, there will be the opportunity for such houses to be replaced in the event of a catastrophe. This is progressive public policy, it is a policy that passes the test of reasonableness, clarity of purpose, incidence and consistency.

11.10 a.m.

Tuesday, February 13, 2007

(EDITED)

Mr. C.A. MASCOLL: Mr. Speaker, that is what it is and that is why we are here as a Government to ensure that the most vulnerable in the society are taken care of. If that is no longer the remit of a Government, it is time for no Government.

Mr. President, I, therefore, feel a sense of pride to have had the opportunity to deliver such a piece of legislation to this Parliament. I call it future fiscal policy because I understand that as Government seeks to reform the income taxation; as Government seeks to reduce income taxation and promote indirect taxation; as Government pursues the objective of economic efficiency, which is believed is better achieved by way of an indirect tax system, rather than through direct taxation, that the future for Barbados would have to be more on targeted taxation, which carries a specific benefit so that income taxation would no longer be seen as the future fiscal policy of Government. It will be, increasingly so, income taxation that has a benefit principal that is connected to your insurance scheme or as in the Middle East or Asia, connected to a provident fund. In fact, Mr. Speaker, I long to see the day when Barbadians can be given an

opportunity, perhaps voluntarily, to make an even greater contribution out of their income to the National Insurance Scheme and that Barbadians would then have access at predetermined points, along the way, to those funds before they reach pensionable age, such that they can borrow for health, to build a house or to educate their children. Sir, in essence, I am saying that income taxation will no longer take the traditional route, it would not be specific targeted taxation that has a benefit principal at the end.

Mr. Speaker, as I have said before, this piece of legislation, where you have identified persons, who earn below \$22 500, who have properties valued \$125 000 or less, as the criterion for access to the Catastrophe Fund, is policy that is consistent. It is policy that fair; it is policy that is just; it is policy that is equitable and it is policy that is the policy of the future.

Mr. Speaker, I want to make this final plea, that Barbadians understand that you cannot govern a country without understanding the basic tenets of public policy; that you cannot govern a country unless you have predetermined a path, a vision; that you cannot govern a country unless you have identified a set of principles upon which to govern because principles do not alter their form and shape over time, policy may, but principles do not.

Therefore, I have to be clear. Am I governing in the interest of the poor? Am I governing in the interest of the rich? Do I understand the need to mix the too? If I understand the need for a mixed economy, how do I balance between the allocation of my resources and the distribution of those resources? How do I make decisions to stabilise an economy when I may be pursuing growth? How do I make decisions about distributing wealth when I may want to ensure that some underprivileged, poor and powerless people are deserving of a particular service? How do I call upon those who have to make provision for those who do not have? How do I make decisions in this increasing globalised world and more now, a CARICOM world to embrace other people around the region with respect to my governance?

Mr. Speaker, in short, there are so many variables to consider in the pursuit of public policy that are now being complicated further by openness of economies; that are now being complicated further by the need to have regional economies in societies; that are now being complicated by globalised concerns and considerations, that you cannot put in the hands of anyone, who cannot identify clearly a path; you cannot put in the hands of anyone, who has not been able to clearly articulate a vision, the governance of a country.

Mr. Speaker, right now, we are too well-poised; we are now on the precipice of becoming, not only a developed country but ensuring that we are achieving the

objectives of satisfying our social needs. Sir, you cannot take the chance at this stage and forfeit the future of Barbados to anyone, who cannot clearly articulate a vision for Barbados. Sir, it would be tantamount to divorcing your wife because the marriage is too long in being even though it is happy; even though it is good, but you are now tired seeing her face. Sir, why are you divorcing your wife? It does not make sense. I really do feel especially proud to have had the opportunity to bring before this Parliament a Bill that recognises governance of the underprivileged and governance of the poor.

Mr. Speaker, I do hope that we do not see an opportunity on the part of the Opposition to grab at any little straw in this Bill to give rise to unnecessary controversy over a piece of public policy that is solid in all its component parts and has as its interest the very people, whom we seek to represent in this Chamber.

Mr. Speaker, I thank you.

Mr. SPEAKER: The Honourable Member for St. Philip West.

Dr.D.C. ESTWICK: Mr. Speaker, the Democratic Labour Party is a responsible Opposition Party and, as a result of that, we take our responsibility seriously, with respect to looking critically at any pieces of legislation that would be passed into law and that would have an impact on the people of Barbados, whether they are low income, middle income or upper income, that come to this Honourable Chamber. It is, therefore, important that when one looks at these types of Bills, one forgets all the platitudes and latitudes of thoughts and concentrate on whether the Bill before us, presents the type of comprehensive approach we really need, if we are to seriously consider establishing a Catastrophe Fund in Barbados.

Mr. Speaker, it is from that perspective that I think some objections to certain aspects of this Bill, must be rendered.

Mr. Speaker, the first problem I have, has to do with or the confinement to those, who benefit to a number, defined based upon the land tax threshold, as the Honourable Member for St. Michael North West said, H124/11:20

Sequence 8

Tuesday, February 13, 2007

Continuation of Dr. D.C. ESTWICK...and also based on a definition of a chattel house that is so loosely applied, that I have some problems interpreting the assumptions behind the Bill. Sir, let me explain what I am talking about.

Mr. Speaker, the assumptions behind the Bill are that you are talking about benefits to low income earners; you are defining an assumption, with respect to the value of the chattel house, \$125 000; then you define established assumptions, with respect to a chattel house, whether it is wood, brick and wood, et cetera.

Sir, the problem I have with that is, the more fundamental and underlying assumption that should be behind this Bill, should be disposable income. There are many people in Barbados today who live in wall houses, with less disposable income than many individuals, who may live in a wood and wall or a wooden structure. I believe very strongly that this underlying assumption needs to be evaluated. It should be indexed with respect to your disposable income, not necessarily whether you live in a chattel house valued at \$125 000 or the house is wood and wall or wood. That must be the underlying the most fundamental assumption behind the Bill.

Sir, with respect to the comprehensive nature of the policy, I do accept that our present systems leave many people at risk of being unable to replace what they have lost. In many cases, given that we are living in an area prone to catastrophes, when these catastrophes occur, without such a fund, that could provide some stability in the insurance market and could result in increases in premiums, the concept is not an unreasonable one. In order to apply the concept in this most comprehensive way, this administration should be looking at the establishment of a private/ State/type relationship.

Mr. Speaker, I have come to that conclusion, because they are many persons with chattel houses that are insured and they are many uninsured. Therefore, it would be a more effective policy if this administration would have seen it necessary to engage the private insurance entities in Barbados, to establish the type of policy relationships, in terms of deductions and premiums that could be part of a transfer to the National Insurance, to allow the National Insurance, in effect, to act as a reinsurer for those persons who have private insurance in Barbados for their chattel houses.

Therefore, the comprehensive approach in dealing with this matter, would have been to provide the type of incentive programme, via legislation, to give insurance companies the drive to provide the first layer of cover to chattel house owners in Barbados, and then allow the State, through the Catastrophe Fund, to act as the second layer of protection, that second tier. Mr. Speaker, that is how it is done around the world, but the Honourable Member for St. Michael North West, seems to want to introduce a new principle. Sir, around the world, these types of funds are provided based on a private/State partnership, to introduce this type of catastrophe coverage.

I want to say to the Honourable Member for St. Michael North West - as he said, this is only part of a broader picture - that this has to be taken into consideration, with how this fund is going to help Barbadians to prepare more effectively for catastrophes. Is it going to allow the development of resources before a catastrophe actually occurs, so that there will be a safety net for payment? We on this side do not have a fundamental problem with that principle, but there is something wrong with the definition of a catastrophe. Wherever this type of legislation has been brought in the world, there is always a threshold. A threshold that is defined with respect to the quantity of damage done, cost, beyond which such a fund can be accessed.

Mr. Speaker, if the administration had thought through this piece of legislation, before it was brought to Parliament, they would understand that such a fund should kick in after there has been such a level of damage by a catastrophe that there is risk to the economic survival of Barbados. That is the importance of having the primary layer of private insurance in place, which would, in effect, cover the first risk that would occur up to a certain dollar value, and after that dollar value, then the Catastrophe Fund would kick into place. Mr. Speaker, what we now have is, as long as there is a catastrophe, the Fund becomes active and monies are to be paid out.

Sir, the definition of a catastrophe means, a catastrophe caused by fire. I am trying to understand this one, a fire. How many houses must be damaged in the fire? The definition of flooding: What is the level of damage that must be done by a flood that defines it as a catastrophe, so that the Catastrophe Fund becomes operable? These are fundamental questions to be answered. It is not a simple matter of talking about fire. These elements must be quantified. We must know what is the threshold point, at which the particular catastrophe would have done so much damage, that it is defined as a catastrophe in law.

Mr. Speaker, that is why I am saying there is something wrong in bringing this type of legislation to Parliament without doing the type of profound due diligence that is required.

Sir, lightning is defined as a catastrophe. Mr. Speaker, are you trying to tell me that if a chattel house, in your constituency, happens to be hit by lightning, that automatically the Catastrophe Fund is brought into bear?

Sir, I am saying that it must be significantly more to be brought to this Honourable Chamber with respect to these various definitions, if you are going to talk about a catastrophic event, that will have a fundamental impact, on the economic stability of the country. That is the broad-based definition that a catastrophe must necessarily underpin.

11.30 a.m.

Sequence 9

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House 124, sequence 10, 11.30 a.m.

Dr. D.C. ESTWICK: The impact must be so significant that it makes the threat to the economic stability of the country become foremost. I just want the Honourable Member for St. Michael North West to explain those things to me.

At present, Mr. Speaker, there is a reinsurance programme in Barbados, where private insurance would reinsure, as a way of mitigating risks. All of that reinsurance money goes out of Barbados and if there is no event that requires the use of that money, it stays outside. If there is no catastrophe for four or five years, then the money stays outside, and builds and makes profits for other people.

This is the reason I am saying that if the Honourable Member for St. Michael North West, who piloted this particular piece of legislation, understood the fundamental principle of the private/State relationship in providing for catastrophic coverage, he would have appreciated the importance of the National Insurance that is supposed to invest the funds to act as not only the reinsurer...but that brings me to another point, the experience of this administration with National Insurance funds.

It brings me to this point, Mr. Speaker, because we have just had to do a complete actuarial review, over the last couple of years of the capacity of the National Insurance, to meet its stated legislative responsibility to the people of this country, in terms of providing pensions. It is not only based on the fact that we have an aging population, and an increase in the dependency ratio in Barbados, but part of this has to do with the extremely heavy investment of the National Insurance in Government paper.

Mr. Speaker, by any stretch of the imagination, most fiduciary experts would accept that any time a pension fund in a country is invested to more than 60 per cent in State paper, that is a problem. It is accepted as a problem worldwide. It introduces weakness in the financial systems. I caution the Members of that side. The type of dubious projects that the National Insurance Scheme has been used to finance, I hope the same types of problems do not develop when they are managing and investing people's money that is put there for a catastrophe. The evidence is very clear for all Barbadians to see.

This is the reason, if this administration understood the importance - and I will go right back to this early point - of having established a private/State driven Catastrophe Fund, those problems would have been significantly mitigated. Again, this Bill fails miserably because it attempts to transfer all of the risks to the National Insurance and by extension, the State. I will explain.

Mr. Speaker, right now in Barbados, if a hurricane occurs, or other catastrophes, not the catastrophes defined in here but catastrophes that have so significantly damaged the Barbadian infrastructure, that it threatens the survival of Barbadians, economically, socially and otherwise - that is what the definition should be saying - the State, at this point in time through CERO, the National Housing Corporation, the National Assistance Board, and to a lesser extent, Mr. Speaker, private insurance, carry the major risks.

In fact, what this Bill has done, is to concentrate that risk even more, by not spreading the risk and involving the private insurance entities, by giving them the types of tax concessions necessary so that they would become interested in providing the type of insurance programmes for low income earners in Barbados.

Sir, by doing that, a percentage of the premiums paid to them, would now go the National Insurance, and be managed. That layer of risk, or protection is missing from this Bill. It is a fundamental error and an open crack. This is not what the Catastrophe Fund is set up to do. It is set up to reduce risks.

This Fund should have been used, Sir, as a catalyst to have increase capacity, and increase market certainty with respect to insurance viability to low income earners, owners of chattel houses, and those persons who are marginal in their disposable income. It should have been used as a catalyst to improve the availability and affordability of home insurance, in areas that are prone to catastrophes, but it has not been used to do that. Mr. Speaker, this is one of the major problems with the Bill.

What are the meaningful prevention standards, Sir, that are being intertwined with the Bill? Are those meaningful prevention standards also important to save lives, reduce property damage, and reduce the risk of State funds being needed, for the same Catastrophe funds? Where is the much talked about Building Code, which would have become a fundamental linchpin in ensuring that certain catastrophes, at least, the risk, loss of property, and debt would have been mitigated? Sir, those are the sorts of meaningful prevention standards I am talking to.

Sir, it is alright to talk about establishing the Fund, but I want the administration to understand that establishing the Fund in the way that it has been

established, cannot get the job done. I will redefine my first principle. The underlying assumption of the Bill is faulty.

House 124, sequence 10, 11:40:14

Tuesday, February 13, 2007

Dr. D. C. ESTWICK: It cannot be based on whether you have a house valued at \$125 000 or less or on whether the house is wood or wood and wall. Mr. Speaker, there are many people who have a house valued at \$125 000 or less that have significantly more disposable income than some who have a full-fledged wall house, so it must be based on the disposable income capacity of individuals. Sir, that information is easily found out here in Barbados.

Mr. Speaker, I wish to make one last point. This Catastrophe Fund should have provided a backstop necessary for private insurance agencies to insure against catastrophes in a financially responsible manner that does not threaten their solvency or their ability to protect their customers from potential losses. That basis, as a fundamental premise, would have allowed for this fund to have had a much more comprehensive basis for action than it now has.

Mr. Speaker, these are my questions to the Honourable Member for St. Michael North West, and I hope that he would be able to address them or to rationalise whether or not the underlying principle and the assumptions made... There is not a more moral and just principle that would apply to all Barbadians because as it now stands, there is an immorality involved in it and there is an element of being...

Mr. Speaker, let me define what I am saying because the Honourable Member for St. Michael North West spoke to how just this principle was or is, and how moral it is and then proceeded to introduce a Bill that selectively defines what is low income and a chattel house, when there is a more fundamental definition that could be used as to whether or not a person qualifies.

Mr. Speaker, after I finished paying my mortgage, my telephone bill, my electricity bill and my water bill and send my children to school, what do I have to repair my house. That is the most basic philosophical principle. Mr. Speaker, that is when it would become more moral and just, not based simply on whether you own a chattel house or a wood and wall house valued at \$125 000. Sir, I want to hear the Honourable Member's response.

Mr. Speaker, the Democratic Labour Party understands the principle and the concept and what the Government is trying to accomplish. There is a part of the Bill that we have to give critical support to, but we believe that the underlying assumptions of the Bill are flawed. We

believe that in order for us to have had a more comprehensive Bill, that this Administration should have moved to a position of a private/State Catastrophe Fund relationships. That would have given this Bill much more fundamental credence.

I thank you, Mr. Speaker.

Hon. K. D. SYMMONDS: Mr. Speaker, I want to begin by saying that there is a component of the arguments made by the Honourable Member who just took his seat, which I find particularly attractive. I speak of the argument he made with respect to the private sector and the State being in partnership on the matter. However, Sir, I think that there is more in the mortar than the pestle, and I would want to speak to that at some length during the course of this presentation.

Sir, let me start by saying that I welcome the opportunity to contribute at an early stage in this debate in order to try to set further context within which we find ourselves today. Mr. Speaker, this House is presented with two golden opportunities. Mr. Speaker, we have an opportunity, as the Honourable Member for St. Michael North West eruditely expatiated on, to engage in a piece of social engineering, which is really driven by a humaneness of policy. Sir, on the second level, we have an opportunity to confront the social and legal implications of laws made by this Parliament, some of which are existing laws, which have created unintentional hardships and, in my view, I respectfully submit, have caused us to be in the situation we are in today.

Mr. Speaker, there is no small coincidence that Barbados today has over 33 000 chattel houses. Sir, in the context, however, of a US\$6 billion economy and a Gross Domestic Product per capita of \$9 000, one has to ask the question why is there the proliferation of that type of housing stock.

Sir, this Bill, in its long title, says that it is an Act to provide for the establishment of a fund to be known as the Catastrophe Fund to provide financial aid to any low income earner who owns and occupies a chattel house valued not more than \$125 000, where that house is damaged or destroyed by a catastrophe within the meaning of the Bill. Therefore, Mr. Speaker, the Bill is specifically targeting low income earners.

Mr. Speaker, one has therefore, if one is to respond to the Honourable Member for St. Philip West's point, to create a legal construct within which one could define the low income earner. Mr. Speaker, your view of a low income earner may differ from mine, and indeed ours may differ from that of the Honourable Member who just took his seat. Sir, having said that, I think that we understand each other when we say that when once you create the legal

construct, you then have to find a way in which you can create an effective policy.

Mr. Speaker, the question has been implicitly asked about chattel house ownership, what is there about the chattel house ownership that necessitates a national strategy to protect against matters that would, I suppose, when once you start talking about private treaty in the ordinary course of things, these matters would revert to the private individual... That is the implicit question asked when the Honourable Member for St. Philip West speaks about the matter being index to disposable income. I do not think realistically, that it can be so index. The reason it cannot be so index, lies in the matter of the legal history that I raised at the beginning.

Sir, we have to appreciate that chattel houses in Barbados emerge out of a tenancy type situation. Sir, that tenancy situation specifically defined the relationship between the tenants and the land that he accessed. Therefore, the legal maxim, of that which is affixed to the land becomes part of the land, was the governing position at common law with respect to all of the chattel house tenancies in Barbados.

Having said that, Sir, today's Bill responds to the difficulty which has been created by this Parliament in successive pieces of legislation, which unintentionally I believe, reinforced that legal maxim of that which is joined to the land becoming part of the land.

Mr. Speaker, let us look at some of the law that has given rise to this situation. Back in 1955, we would have had Chapter 237, it is still enforce in Barbados, of the Laws of Barbados; the Security of Tenure of Smallholdings Act, a bold piece of legislation in its time, which strengthens the nature of the tenancy so that if rents were due on a smallholding and there were paid up you could not evict the tenant in less than six months.

House 124 Sequence 11

11.50 a.m.

Tuesday, February 13, 2007

Hon. K. D. SYMMONDS: Mr. Speaker, it re-enforced the nature of the tenancy but let us understand the social conditions of 1955, as this was the year of Hurricane Janet. It was the year when Barbados began to understand the social dislocation that could flow from catastrophic events.

Mr. Speaker, another piece of legislation which I find very important in this exercise, would be the 1965 legislation, Cap. 239 of the Laws of Barbados; the Tenancies Control Act. Sir, it was, in its time, a bold piece

of legislation because a landlord, who wished to increase rent, was not allowed to do so, unless he got a magistrate's permission. Furthermore, even upon being granted permission to increase that rent, he could only do so to a ceiling of 20 per cent of the existing rent. Sir, that fortified the tenant but only in terms of his relationship with the land he occupied as a tenant.

Mr. Speaker, 10 years after Hurricane Janet, there were important pieces of social legislation, in a Parliament which was led by the titans of the day, that Parliament was one that had Elliott Mottley, Grantley Adams, Errol Barrow, Frank Walcott, James Tudor and Edwy Talma. But the legislation was not speaking to the social dislocation that was flowing, logically, as a result of a very serious catastrophic event. Therefore, we were re-enforcing a situation in which we were not assaulting the fragile relationship that the tenant had with his land, in terms of the temporary nature of his house. We did not encourage a situation to develop, where there was the creation of permanent structures but rather - because of what appears to me, in looking at the legal history, a keen interest in balancing the interest of the landlord, with the interest of people, who wanted to access land. Sir, we were maintaining temporary housing structure arrangements and not creating a culture of a more permanent form of housing amongst the rural poor and the urban poor.

Mr. Speaker, in spite of the galloping progress that this country has been making throughout the decades, that is where we found the foundation of us coming to a point where we are today, of having a housing stock characterised by 33 000 chattel houses, in the context of a \$6 billion economy.

Sir, it was not until the passage of Cap. 239B of the Laws of Barbados, when we had the Tenancies Freehold and Purchase Act, that Government then came around to the view that by subsidising transfer of land and covering the cost of that the transfer above \$2.50 per square foot, that you could trigger a process, so that for the first time a tenant was allowed to begin to make fundamental alterations to his structure, so that he could assume an air of permanence, even though, up to that point, he was still a tenant.

Mr. Speaker, I hope I am making myself clear because in the context of a tenancy, Barbados has a unique position in the Caribbean. Barbados is the only country with legislation which now accommodates a man to be, for a period of time, a tenant, but yet be in a position where he is re-enforcing, fortifying or making permanent his structure. It is, therefore, flying in the face of the ancient legal maxim which says that which is adjoined to the land becomes part of the land. In this regard, Therefore that man would not now be compromising his tenancy. Sir, that was done by the Tenancies Freehold Purchase Act.

Mr. Speaker, I say that sets the context and the backdrop against which we have to understand this debate. Sir, as I said, it is not a coincidence that we come to this point. What this Government now has itself challenged to do, is to define a way in which it could confront the situation affecting a low income earner, who is living in a chattel house, in an environment when we all know there is substantial dislocation of a social and economic kind, to be found in the event of a catastrophic occurrence.

Mr. Speaker, there is another view, which I think has to be looked at very carefully. Barbados, like most of the Caribbean, is a small island economy and there is a disproportionate level of vulnerability for small island States to a catastrophic event. Sir, I think the Honourable Member for St. Philip West was beginning to go down the right track. At Section 2 of the Bill, where it says that the definitions of "catastrophe" are not limited but they include a storm, a hurricane, flooding, storm and sea surge.

Sir, it is not a question of how many houses are damaged by a storm or by a sea surge, the reality is that there is a disproportionate vulnerability to a house structure, which is of a temporary or non-permanent nature. Sir, as an example, if a house has no ground sill and is resting on four bricks, then the sea surge is likely to do far more damage, if it is located on part of a coastal community, such as we have in St. James, Christ Church and around Barbados generally. If you are living in a non-permanent structure, you are going to suffer far more than you would, if you were living in a permanent structure. It is to that point that Government now seeks to bring a measure of redress.

I also want to make the point that the Honourable Member for St. Michael North West quite capably argued the case for consistency of policy. Sir, as principal spokesperson on this matter for the Democratic Labour Party, I am unclear as to what position the Honourable Member for St. Philip West has taken, with respect to the ultimate issue of whether or not he supports it. I think he sounded as though he supported it, and I would give him the benefit of the doubt and say that he has done so, but critically.

Mr. Speaker, there is a tremendous consistency of policy in this matter. We begin with the understanding that the United Nations Department of Humanitarian Affairs has recently produced a publication, which indicates that 15 countries, out of every 25, are essentially disaster-prone small States and that Barbados is one of them.

Sir, the Caribbean, as a whole, fits into that description, where some countries are potentially affected by hurricane; all affected by flooding; potentially some are affected by earthquakes and some are affected by volcanoes. Therefore, we are in a zone where Bills of this

kind, which bring the State's attention and mandates national strategy to confront critical catastrophic issues which can result in long term and severe dislocation in the society, have to be confronted.

Mr. Speaker, the incidence of policies goes further because it was here in Barbados, under the leadership of the then Erskine Sandiford, now Sir Lloyd Sandiford, in 1994, that we had a Small Island Developing States Conference. Sir, part of the outcome of that conference, I am sure you would recall, was that there was a call for a national plan for mitigation against potential effects of natural disasters. There was also a call for a disaster emergency funds, to be created in small island States, so that with the assistance of private sector and public sector partisanship, be able to offset certain circumstances where insurance was not available.

Sir, I have no difficulty in principle with the concept argued by the Honourable Member for St. Philip West, when he talked about the private sector partnership. I do believe we have to look at the partnership argument in its fullest context. Sir, it is perhaps regrettable that the Honourable Member for St. James North is not with us today because I am sure, with his almost unequal knowledge of the legal history, he would be able to share with this Honourable House, a lot of the history of chattel house development in other areas, in the same way as I have shared it with you, in terms of the law.

H:No.124(12)12:00 noon

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(EDITED)

Hon. K.D. SYMMONDS: We are also confronting an orthodoxy of thought, a consensus has built, whether we like it or not, for the most part there is a consensus as to who should or who should not be able to access property insurance in this society. I do not hold that it is fair that you should have an a priori exclusion of any sector of the society from a critical component part of the economy. Sir, there is a consensus, which functions in Barbados on this point. This is why you cannot simply say to bring the insurance companies to the table because, by and large, most of the insurance companies in Barbados have washed their hands of the chattel house insurance and they are not alone. The reality is that it is not only in the insurance industry but...

Mr. R.D. MARSHALL: Mr. Speaker, on a point of order. The Honourable Member is misleading the House.

Hon. K.D. SYMMONDS: Mr. Speaker, I am trying to make the point that it is relative common in Barbados

that you can get insurance for perhaps fire but there are a number of other perils..

Asides.

Hon. K.D. SYMMONDS: Sir, I couch my remarks only in the context of the Catastrophe Bill that we are dealing with.

Mr. SPEAKER: Order, order, please.

Hon. K.D. SYMMONDS: Mr. Speaker, we have to understand that above and beyond fire, the catastrophies outlined include storms, sea surge, hurricanes, flooding, et cetera. Sir, I do not wish to become caught up in the side debate because the point that I am making is a larger one. We all know that our constituents cannot go to an insurance company and obtain flood insurance for their houses, if the houses are chattel houses so let us not debate that. The point that we want to debate is that it is not only that aspect of commercial Barbados, which is in insurance but the banking sector as well. Sir, the concept of a chattel mortgage once held sway across the country, whereby a chattel house owner, could on the security of the chattel itself, go and borrow \$5 000 or \$10 000. Sir, to what extent does the commercial bank in Barbados today still accommodate those persons in the context of using the chattel to secure a small loan, which could then be put to maintaining or repairing the said chattel.

Mr. Speaker, today we are having an argument, but in my view it is a bogus argument, that because a chattel can be moved from place to place, it becomes a risk. The legal maxim that which is adjoined to the land becomes part of the land has always held sway, so if you were prepared to lend on the basis of a chattel in St. John, then because I moved that chattel to St. James, does not in anyway affect the viability of the chattel as security. It was never joined to the land so the value of the land in St. John should not be an issue. If the chattel could move and you lent money on it in the beginning, you should continue to do so because you always knew it could move.

Mr. Speaker, we are living in an environment today, where we have accepted a consensus, driven by big business, to the effect that the insurance companies will wash their hands of aspects of insurance for chattel; the banks will wash their hands of mortgage for chattel and, therefore, Government has as a moral imperative to intervene in the process, in order to bring justice to those, who would otherwise be socially dispossessed.

Mr. Speaker, I do not disagree with the concept of a partnership advanced by the Honourable Member for St. Philip West. I hold to the same view, but I say to the Honourable Member for St. Philip West that where we have to go is by demonstrating a willingness of the State to

intervene in the economy, when others are not prepared to do so and to build the institutional framework, where you have the seed funds put up, where you are able to say that there is no culture existing that should, as a matter of a priori reasoning, exclude certain aspects of the society but rather, that all and sundry can be accommodated under the umbrella.

Mr. Speaker, if the State does not intervene to do it, it would never happen because the State cannot mandate that an insurance company or the banks do it. Sir, as a Parliament, we have the responsibility to look at these deficiencies and injustices in the society and address them.

Mr. Speaker, this is nothing strange to the insurance industry in Barbados. Sir, the insurance industry in Barbados, a former spokesman of whom we have recently heard, reacts almost violently to view that they do not do justice to our constituents, who live in chattel houses, when we say that there is a whole raft of perils from hurricanes, storms, flooding, lightning, that they should be prepared to come to the wicket and insure against.

Mr. Speaker, the banks nor the insurance companies do not like to hear that it is a hardship to tell a small man with a chattel house, in circumstances, where we know there is a whole legacy of legislation that has frozen him in a chattel position as a tenant, that he cannot then repair the house so that its quality and condition are such that he could be comfortable with his family. The banks do not like to hear that. But, Sir, what does the legislator do?

Mr. Speaker, in my view, the legislator has a responsibility to govern with compassion and humaneness of policy. Sir, part of that is to create an initiative, such as the one we are debating today, where you intervene in the marketplace, and set up arrangements, from which the average man and woman can benefit.

Mr. Speaker, it is completely consistent with the policy articulated way back in 1994 at SIDS Conference, when Small Island Developing States around the world came here to Barbados and accepted what was then called a Barbados Plan of Action. The Barbados Plan of Action committed that across Small Island Developing States, we would create Emergency Disaster Relief Funds so that people, who would otherwise not have access to insurance, would be able to draw from the Funds. It may be long in coming but it was an idea, which is worth its salt and its time and, Sir, I wholeheartedly support it.

Mr. Speaker, I also want to urge that this House notes and pays due respect to another level at which the State has intervene. When we talk about the National Housing Corporation, it is not all woe. Sir, National Housing Corporation has intervened in order to ensure loans for some of the same chattel house owners and

occupiers that we are talking about so that they can improve the quality of their homes. Sir, the Urban Development Commission, much abused as it has been, by this Parliament or some parts of this Parliament in the past, is one of those institutions, which has intervened by creatively establishing loan arrangements, so as to help the same category of low-income earner and low-income house owner that we are talking about here today. Mr. Speaker, the reason National Housing Corporation and Urban Development Commission intervention is so important is precisely because of the same facts that I have argued here with respect to the intervention of the State on insurance matters because the marketplace left on its own volition, will always be profit-driven, profit-oriented and would seek to accommodate the interest of the dispossessed and the downtrodden in our society.

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Hon. K.D. SYMMONDS: Sir, Government, therefore, in my view, if we are a democratic socialist society still, has to be prepared to intervene and to create equity, where none otherwise exist. That is what this is about.

Sir, I do not think that there is a massive debate in terms of disparity of view between myself and the Honourable Member for St. Philip West, on the question of bringing the private sector to the table. I reiterate the point that, from 1994, in the Barbados Plan of Action for Sustainable Development, we all accepted that there should be a fund, with joint private and public sector support. Sir, you are not going to get to the private sector by saying do this.

I think that Government has demonstrated good faith by starting this initiative. I think that Government has demonstrated, that through the National Insurance Scheme, there is an adequate and a respected institutionalised arrangement, which can act as a Fund Manager. I think that the necessary due diligence has been done so that precautions are in the system, so that you have a number of people who will be sitting on the Board looking at claims, not just at the request of some political entity, but rather on the basis of their own expertise. Sir, the Board is made up of The Chief Fire Officer, The Accountant General, The Catastrophe Claims Committee. The Claims Committee is made up of as The Supervisor of Insurance, The Director of National Insurance, The Chief Fire Officer and The Accountant General, these are individuals, who by virtue of their very office, function in a setting of public accountability and best practice. Mr. Speaker, upmost good faith could reasonably be expected of these persons. I think

that is part of the institutional arrangement, which has given this particular Bill an air within which we can express confidence.

Sir, I share the view of the Honourable Member for St. Michael North West. It is an exciting piece of legislation. I call it an exciting piece of social engineering, and quite frankly, I think it gives us an opportunity to confront some of the legal difficulties which historically we have had to live with, but for which we did not have a solution. These are important problems.

Mr. Speaker, you could not just wish away some of the old legislation, that still exists in Barbados today. There is a need today, in 2007, to be able to secure small holdings, so that a small man, on a small agricultural lot, is able to know, he has a strength of relationship enduring as a tenant, that when a man wants to run him off the land, he just cannot do it so. He has to give a period of time, that six months is critical.

Sir, all of us, who have had to help somebody find a house, know that when eviction comes around, every day in those six months is critical, in order to buy time to help the traumatised find a home over their heads, otherwise, we would have countless families on the side of the road. The reality is, you just cannot change that legislation, nor should you.

Equally, the Tenantry Control Act, 1965, is a critical piece of legislation, because of the fact that you cannot arbitrarily drive a man from his home by increasing rent when and if you feel like, because you want access to house. These pieces of legislation, bold as they were in that time, have to be seen now with the benefit of hindsight, for what they also did. They also created a limitation on the ability of the tenant to transform his relationship with the land he occupied, into one of greater permanence.

Mr. Speaker, this Government, which previously created that atmosphere of permanence, through the Tenancies Freehold Purchase Act, is taking a further step, to ensure that the well-being of the houses, which are on the land is protected, and implicit in protecting the well-being of the house, you are also protecting the social, economic and spiritual well-being of the occupier of the house. All those things are now being addressed by this legislation, which I think is long in coming but is very well worth the time we have taken to get here.

I thank you, Sir.

SUSPENSION

Hon. R.R. FARLEY: Mr. Speaker, I beg to move that Sitting be suspended until 1.30 p.m. today.

Hon. G.A. CLARKE: I beg to second that.

The question that the House be suspended until 1.20 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the House accordingly.

12.15 p.m.

Sequence 14

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House 124, sequence 15, 1.27 p.m.

RESUMPTION

Mr. SPEAKER: This Sitting is resumed. The Honourable Member for St. George North.

Hon. G.A. CLARKE: Mr. Speaker, I rise in this debate to lend my support to the Bill before the House. I believe, as we have seen so far, both the Government and the Opposition will be supporting this Bill, the Catastrophe Fund. We believe that it is the right way to go because we have to protect the vulnerable people in our society. It is important, therefore, to look at why this Bill came about at this time.

Sir, you would recall that in middle part of the 1990s, the Government was faced with a number of landslides in the St. Joseph, and St. Andrew areas. We were also faced with many house fires. In fact, it was reported that, on average, more than 90 houses are destroyed by fire, annually. Therefore, one has to look at how do we set up a fund to help these people.

When one looked at the cost of repairing or providing a home, it ran into thousands of dollars. I remember that we spent large sums of money in the Scotland area, relocating homes from White Hill to Farmers. The Government had to purchase about 10 acres of land at Farmers to relocate those persons from White Hill. Again, in the early 1990s, we also relocated persons from the lower Parks area to the Lammings area. It cost a lot of money.

Sir, landslides are very noticeable and prone to the Scotland area. We already spent a lot of money, and there are still a lot of outstanding homes in the Scotland area that must be relocated.

We also notice that in the Gills Terrace, St. Peter, homes are located in the flood prone areas, and they must be relocated over time.

House 124, sequence 15, 13:30:14

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Hon. G. A. CLARKE: It is true that in the last year or so we did not have a lot of rain, but those houses are still situated in low-lying areas, so too are the homes in Headley's Land and the New Orleans, so we must protect these homes.

Mr. Deputy Speaker, when one looks at this Catastrophe Fund, one has to ask oneself what is really a catastrophe, is it a national event or a single event. I believe that in the event of a catastrophic event, which may be a flood, a hurricane, an earthquake, a landslide or a fire, persons must be helped.

Mr. Speaker, in the 90s, Government thought that it should set up a compulsory insurance, but this proved to be a bit difficult as it relates to how do you ask persons to insure their properties. Mr. Speaker, insuring a property is not like insuring a car where you are insuring against a third party. Out of that discussion, a committee was set up to look at determining ways to protect persons who may suffer the risk. Mr. Speaker, the Committee agreed to the setting up of a Catastrophe Fund. Mr. Speaker, the Minister, the Honourable Member for St. Michael North West, has explained the provisions of the Bill.

Mr. Speaker, I want to make the point that persons must suffer the risk in order to draw from the Fund. Sir, working persons in Barbados will contribute to the Fund, but the persons who would benefit would be those persons who are the poorest of the poor within our society, those persons who are working for under \$22 000 a year. However, all working persons will contribute to the Fund.

Mr. Speaker, this Catastrophe Fund will be similar to an insurance fund. Sir, in an insurance fund, only those persons who contribute to the Fund can benefit out of the fund. In this case, everyone will contribute to the Fund, but only those persons whose income is under \$22 000 a year would benefit, if the risk occurred.

Mr. Speaker, the Honourable Member for St. Philip West made the point that the Fund is set up to reduce risk. Sir, if the risk occurs, then persons can draw from the fund. The Committee would be empowered to look at the entire circumstances surrounding the event, what caused the fire or what caused the event, and what contribution the Committee could put to the person. Mr. Speaker, it is important for us to understand that this Catastrophe Fund is a fund that is set up in case of a risk.

Mr. Speaker, I am concerned that we still have a number of persons in our society who are living alone, especially the elderly. Recently, there was a house fire in Walkers, St. George, where an elderly gentleman was burnt to death. He lived alone, and he was burnt to death because

he was trying to secure his home but then he could not get out. Sir, it is regrettable that in our society we still have a number of persons who are living alone. Sir, it is a very vulnerable situation and we have to do whatever is necessary in order to help those persons in our society. Mr. Deputy Speaker, even though we do not want the various risks to occur, they will necessarily occur from time to time, and we have to be able to get people back on their feet.

Mr. Deputy Speaker, there are many institutions of Government, such as the Welfare Department, the Poverty Alleviation Bureau, the Rural Development Commission and the Urban Development Commission that have been helping from time to time, so it costs the Government millions of dollars whenever something catastrophic happens. Luckily for us in Barbados, we have not had a national event like what takes place in some of the Asian countries where it costs Governments in those regions, millions of dollars every year to replace homes.

Mr. Deputy Speaker, we believe that this Fund, once set up, would generate enough funds so that persons can be helped in times of a national event, but we are hoping that such would never happen. Mr. Deputy Speaker, we know from time to time that there would be individual cases that must be taken care of.

Mr. Deputy Speaker, Honourable Members asked today about the building code. Mr. Deputy Speaker, the building code has been in existence for some time now. Many Barbadian builders and contractors adhere to the code.

Mr. Deputy Speaker, the homes in Barbados can withstand category 1, 2, 3 and 4 hurricanes, they are sturdily built. We can boast in Barbados of having the best stock of houses in the Caribbean.

Mr. Deputy Speaker, a recent survey has shown that in the Caribbean, Barbados, The Bahamas, Trinidad and Tobago and Jamaica have the most sturdiest homes. We believe that our contractors have been doing a good job in Barbados.

Sir, most homes in Barbados are now being constructed with the four-hip roof. In terms of practising the building code, many contractors now use exit doors in case there is a fire. There are standard size doors that must be used. Fire protective gear are being used in homes today. The code is being used. What we need is the Act, which will inform the code, which is being practised at this present time. Mr. Deputy Speaker, when the Bill comes before Parliament, it would set up a regulatory body in order to police what now exists.

Mr. Deputy Speaker, I believe that many Barbadians are doing the things that they are supposed to do in terms of providing adequate accommodation. However, we need to put this Fund in place in order to protect and ensure that persons contribute to the Fund so that it would grow, in order to help persons who may have to call upon it from time to time. Mr. Deputy Speaker, I also believe that we need to look not only at those persons who are building wooden structures, but wood and wall structures.

House 124 Sequence 16

1.40 p.m.

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Hon. G. A. CLARKE: Mr. Speaker, most people are building wood-and-wall homes. It is also true that most Barbadians would want to move from a wooden structure to that of a wall structure, in the belief that they would be more secured. Therefore, we have seen people changing their structures over time.

Mr. Speaker, I believe in the 1980s and 1990s, there were approximately 80 000 households in Barbados but in recent times, we have seen a gradual moving away from the wooden structures. Today, I understand there are approximately 92 000 household, with 83 000 being occupied. Sir, out of that total, less than 30 per cent are wooden structures.

Mr. Speaker, decades ago, in the 1960s and 1970s, the majority of homes in Barbados were wooden structure but today, more people are leaning towards the wall structures. However, there are a number of Barbadians, who would prefer the wooden structure. Sir, there is still that preference amongst persons, to live in wooden structure. Sir, one could argue that it is still the poorest of the poor, who still live in wooden structures.

Mr. Speaker, there are a number of persons who are renting the land on which they live, and some landlords would only encourage wooden structures. Therefore, we still have to protect those persons. Sir, when we look at the St. Michael areas, especially, one would find it is especially the low-income earners who still have wooden structures.

Mr. Speaker, I am glad to see that we are supporting this Bill today, which I think is important. I think too that we need to tell the public there are still a number of things that they can do. Sir, when these events occur, from time to time, there needs not be catastrophic in nature. I think the public and those householders need to understand that they must safeguard their properties and their families and to do so, one has to put a number of contingency plans in place. Sir, too many people go to bed, leaving their gas bottles on and too many people go to sleep at nights, burning candles

or lights. As I understand it, we have more than 98 per cent of homes, which have electricity but again that can be a problem, because that 2 per cent amounts to a large amount of persons without electricity. Mr. Speaker, I think all effort should be made to ensure that all homes have electricity and running water.

Mr. Speaker, I believe that as we move forward to be a First World country, that more effort must be made to improve the lot of those persons, whose income is at the lowest end. We must protect them because in the final analysis, it would be Government who would have to provide such funding. There was a call some time ago to insure all homes but the cost of insurance can sometimes be very prohibitive and therefore we have to watch that. I understand too that persons have been asking Government to look at insurance for persons in the middle income group. It is true that the cost keeps increasing. This is something that the Supervisor of Insurance must look at. Even though we talk about the cost of insurance as being high, I believe that every effort should be made by the Supervisor of Insurance, to look at the premiums paid today by middle income earners, for homes in the vicinity of \$150 000 and \$200 000.

Mr. Speaker, it is important to note that even though a number of persons are gainfully employed, their homes are not adequately insured. Sir, some persons only pay the basic premium, so that if one's house is valued at \$200 000 or \$300 000, it might only be insured for a part of and not the full value of that house. Sir, the reason is that the cost of insurance keeps rising. Therefore, I think there must be a way where insurance companies could help to reduce that cost by looking at such issues. For example, if a person does not have a claim against an insurance company, over time that person's premium could be reduced. Sir, people ask if insurance is refundable. Insurance is not refundable, insurance is a fund, to which persons would submit, so that in the event of any loss, there would be a replacement.

Mr. Speaker, there have been cases where persons suffered losses as a result of a fire, where persons had insurance but were not compensated so that they could have replaced their homes. Sir, these are things we have to look at. I also hope that over time, as this fund develops, the time would come when some contribution could be made for those persons, who are above the \$22 000 income group. Of course, we have to start somewhere, and there has to be a cut-off point but I believe there must be some relief for those persons in that income group, who might suffer loss, who, based on the income of those families, need to be offered some kind of relief.

I have had a case where the owner of the house might be working and might have children in the home who are working but are not contributing to the household. We have to look at those cases as well. We not only have to

look at a person's income, which is the determining factor, but at that person's commitments. For example, a lady who might be working for \$30 000 or \$40 000 per year, but who might have four or five children to support, how do we help this family? I think as we move forward with this Catastrophe Fund, the time would come when we would take all these things into consideration.

Mr. Speaker, I am obliged to you.

Mr. D. J. H. THOMPSON: Mr. Speaker, I want to say that I have no problem in supporting this legislation, which will seek to assist persons, who are the victims of misfortune, in a certain circumstance like this. Sir, you would recall a few weeks ago, and it was pooh-pooh on that occasion by no less a person than the individual, who has now introduced this Bill, we, on this side, called for the introduction of a compensation fund for the victims of motor vehicle accidents, where the driver/owner of the vehicle did not have insurance. We were told that it could not be done. I remember seeing the eyebrows of the Honourable Member for St. George North almost touching the ceiling of this building, when we said that because he well knew that a Catastrophe Fund Bill was coming. Sir, when it was pooh-pooh in here, I sat silence because I believe that...

Asides.

Mr. D. J. H. THOMPSON: Mr. Speaker, as an attorney-at-law, I have never prostituted my profession in here. I would never do it, it is a bad characteristic. One should speak to the principles which are before this Honourable House.

1.50 p.m.

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(EDITED)

Mr. D.J.H. THOMPSON: I do not have to prove that I have any more qualifications, ability, knowledge, learning, sincerity or principles than anybody else in this Chamber and those who are doing that can feel free to continue on that crusade and that charade.

Sir, during the luncheon break, I called a professional colleague of mine, well-known to the Honourable Member for St. George South and while I was discussing a matter with him he said: "It pains me, the extent to which my Party has lost its soul." Sir, he meant the Barbados Labour Party. He said that a debate had just taken place in the House of Assembly in Barbados in which the introducer of the Bill and the person, who spoke after him, so unlearned are they, in the history of the work done by the late Sir Harold St. John, in relation to the

establishment of financial institutions like Insurance Corporation of Barbados, initiatives to ensure that certain classes of insurance were offered to citizens in this country because other insurers may not have provided them and the very *raison d'être* for the establishment of the financial institutions. He said, my Party acts as if the world began last January, when the most recent adjunct to its numbers were added.

Mr. Speaker, I was a former Minister of Finance responsible for insurance as well and as far back as 20 years ago, the same point that the Honourable Member for St. James Central was speaking about was being discussed between the private sector and the Government. The establishment of various funds, including a catastrophe fund for the victims, particularly low-income persons, of house fires and so on. Sir, it was a long process.

Mr. Speaker, make no mistake about it, despite the platitudes that we have heard in here today, this Fund cannot come into operation until it is built up so I am going to call on Barbadians, as I believe that the Honourable Member for St. Philip West has, although he did not directly say so, to continue, if you can afford it, to insure your property and do not believe that because the Catastrophe Fund has been set up, that if you own a chattel house, that if you are earning below a certain income, that you would simply go to the Fund and have your house replace because the Fund has to be built up over years.

Mr. Speaker, if we have a major catastrophe in Barbados, how far could \$2.5 million go? Sir, recently, we had a hurricane and Government has not finished completing the houses that were damaged because within a week, the funds were gone, both legally and illegally. This has not been spoken about yet but all in due course.

Mr. Speaker, the amount was depleted and the Government came back to the House not once but twice for money for the victims of that. Sir, one day I was driving through South District and a fire broke out and burnt three or four houses, the fire engine could not get into the area, the fire hose could not reach and there was total calamity. Even if you did an Estimates of the damage done to those four houses, the initial injection of funds in this would probably barely support the restoration of those families to the position they were in.

Mr. Speaker, there were not all chattel houses, I think one was, which is the point that the Honourable Member for St. Philip West made today and it needs to be understood, that there are also people, other than owners of chattel houses, whose disposable incomes put them in the same category as some of the persons, which the Honourable Member for St. George North, in his very learned presentation, identified.

Mr. Speaker, we need to understand that those persons, who are contributing to the Fund, are going to feel justifiably so, that they should benefit. The Ministry got up and, very erroneously and wrongly gave the impression that this Fund was for Barbadians only. He kept repeating this idea that the Government was on a crusade to help poor Barbadians. Sir, this law does not limit and those who understand the application of the rule of law would know that it cannot be limited to Barbadians only.

Mr. Deputy Speaker, there is no limit in the legislation. Any contributor or person, who qualifies, regardless of their nationality or citizenship, as long as they enjoy rights in this country are going to be able to apply under this Fund for compensation in the event of a house fire. Sir, the point is that provision also needs to be made for those persons, who do not live in chattel houses because, you need to look at the definition of a chattel house. Sir, my recollection of the Bill is that it must be 75 per cent wood.

Mr. Speaker, in all of the new tenantry road in St. John, in which people have improved their physical circumstances, invariably they have a wall back, which is not only a toilet and bath but includes a kitchen and washroom for their washing machine. Sir, they may also have a stone foundation, sometimes a stone gallery and then the middle part of the building is wood and that would be less than 75 per cent. There needs to be given a wider discretion to the Committee, to look at each of the individual circumstances and see whether persons would qualify or not based on those circumstances rather than to establish a rigid criterion which, at the end of the day, along with the way in which the Act is implemented, may not assist as many people as the Government purports to want to assist.

Mr. Speaker, I support the legislation and I believe that if there is a way for the people of Barbados to contribute towards the solution of these tragedies, that we should do so. I have been to countless house fires in Barbados. The difference in rural Barbados is that where there is a house fire, the people would get together the next Saturday morning, keep a dance, the following Saturday, clear off the site and if the person is a well-liked person, they would start getting something back together. I saw that in Society Tenantry and other parts of my constituency down through the years but that is not always so in urban Barbados because people do not have the same family connections, they may not socialised in the same way and there may be other factors that contribute towards that.

Mr. Speaker, in the intervening period after the house fire, the victim has to wait on a letter from the Chief Fire Officer...

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Mr. D.J.H. THOMPSON: ... in the intervening period, Sir, after the house fire, the victim has to wait for a letter from the Chief Fire Officer, the Police Department and some other entity, then you have to go to the Welfare Department to try to get a few clothes and a stove. Sir, people do not really recognise in this country what Barbadians go through, in circumstances where they do not have insurance, and when they suffer from a house fire. Sir, do not talk about if there is a suspicion of arson, because that has also been my experience, where for many years, as the investigation continued, the people were not able to have their circumstances improved during that time.

Sir, I am not saying that this Bill is going to solve that, because if you have a house fire in a wall house, no matter how impecunious you are, this Bill does not apply. If the house is 50 per cent wall and 50 per cent wood, no matter what their income level is, they are out. The Bill is very rigid in the application and definition of what is a chattel house. I believe there needs to be a careful analysis of exactly what we are trying to solve.

Sir, all of this talk about this recent crusade, these matters have been on the agenda now, as I said, for a long time. Finding a solution to this particular problem has not been easy. The one thing that Governments were most concerned about in the past was, how quickly can we capitalise that fund, so that it would have the resources from the outset to do the work that it needs to do. This approach means that we will have to wait a while, because this Fund is going to take time to build up on the basis of the contributions, that are anticipated, over time.

Sir, it is not that if there is a house fire tomorrow in Barbados, and a person qualifies, that the Fund is available. In the interim, I am also concerned, and I appeal to the Minister of Social Transformation, as I know he shares my concern in this regard, to find a mechanism, to deal with the challenges of the victims of house fires in Barbados.

Asides.

Mr. D.J.H. THOMPSON: Sometimes you have an elderly who is supporting a mother, who is not working and three or four grandchildren, and then one or two other itinerants, who are dislocated by the fire, and, as I said, the process that they have to go through.

Sir, many years ago, when I first became Minister of Welfare, I went to a house fire in Sherbourne, St. John. I was the Minister responsible for welfare. When I arrived at the scene, I went to the Welfare Office and the Welfare

Officer told me that he does not deal with politicians. I was in my constituency. I was the Minister.

Sir, I did not mind that. I said okay. If the General Orders tell you that, then fine. If that is what they tell you, then fine. I discovered later that was not the norm. I had then to put in place arrangements to find somewhere for that family to stay. There are countless Members of Parliament, including the late Right Excellent Errol Walton Barrow, who had to make their Branch Offices available, for an extended period of time, to the victims of house fires in Barbados, and people do not recognise that. Sir, those people come from communities, their children go to primary schools in the districts and so on, yet, there is no mechanism that can speedily resolve the challenges that people face when they are victims of these events.

Sir, I am not going to get into all the high-flown pretty talk, because many people have to grappled with this before me, and I will credit them. I am not going to act as if my brain suddenly engaged or disengaged a year ago. I credit the late Right Excellent Errol Walton Barrow, in one of his first presentations in this House of Assemble, his first speech in relation to motor insurance.

Sir, the late Sir Harold St. John, the pioneer of the establishment of the financial institutions, like Insurance Corporation of Barbados, that offered coverage to Barbadians, in relation to chattel houses and otherwise, certain risks that were not previously covered. I credit the current Minister of Agriculture, it seems as though he is very quiet in Cabinet and does not inform his colleagues about what was going on twenty years ago, because they come in here like they do not know. I credit the current Minister of Agriculture, a previous Permanent Secretary in the Ministry of Finance, responsible for insurance, who knows about the work that has been done in the Ministry of Finance, down through the years, to seek to establish a relationship between the private sector and the State, to establish a fund to cover victims, not only of accidents in which they were unsuspecting parties, and the other party was not insured, but also in this particular this.

Sir, I credit Sir Lloyd Erskine Sandiford, who himself set up an arrangement with the Insurance Corporation of Barbados, and other financial institutions in Barbados, to look at ways and means of establishing a similar fund to compensate the victims of house fires, particularly chattel houses. I say that this is something, that all of us have grappled with, down through the years. It did not start last year.

Sir, the fact that it is before the Honourable House today, does not mean that a victim of a house fire tomorrow, as I have said, will be able to draw on this Fund. We agree that any attempt to establish such a fund, as long as it is well-managed and is not used in any way as a slush

fund, or in such a manner by opportunists, and people who want to deliver powder puff political blows, like they are political mannequins, somebody dresses them up and brings them to the scene of an event and tells them talk, and they repeat the same thing week after week in here.

Sir, that is why I said that I do not have to prostitute my profession in this Chamber or anywhere else. I know the history of this. Sir, when the old gentleman, on the telephone, said to me, that his political Party has lost its soul, because no credit was given to the stalwarts of the Barbados Labour Party, who, down through the years, have been trying to grapple with issues of this type, and that a debate was conducted in here this morning, as if there has never been an attempt, in the history of Barbados, to deal with problems like this. He said that he hopes that his Party can find its soul and the true stalwarts of the institution, like the Honourable Member for St. Michael North, who was there battling and writing columns from the 1980s, and the Honourable Member for St. George South, the Honourable Member for St. Thomas and others who have been part of a real crusade here in Barbados, even the Honourable Member for St. Michael East, even though his career has been a little spotty. He took a few detours along the route.

Asides.

Mr. D.J.H. THOMPSON: The point is, that gentleman was calling on those stalwarts, and as close as the debate came to that, the comments of the Honourable Member for St. George North, who recognised that this problem was being looked at from way back, when there were challenges at White Hill, St. Andrew, and recognised that it had been an ongoing issue. If we are close to a solution, I am glad to hear that, as I am saying, as the Honourable Member for St. Philip West said, in a very distinguished presentation this morning, that there should be a closer relationship between the State and the private sector in establishing and administering such a fund.

14.10 p.m.

Sequence 19

Tuesday, February 13, 2007

House 124, sequence 20, 2.10 p.m.

Mr. D.J.H. THOMPSON: Sir, just as when we were dealing with the Road Traffic Act, we called on the Government to work with the private sector to establish a compensation fund for victims and the official spokesman for the Government said that was not possible, because if you did it for them, you would have to do it for the victims of house fires too, and two weeks later, we have a Bill to do it for the victim of house fires.

Sirs, as I say, find your soul. I am urging the Honourable Members on that side to find their political soul, again. Yes, we have had differences across the divide in this Parliament, but we cannot be led by mannequins. We have to be led by people who have a belief in what they are doing, and an understanding of the contribution that others have made, and to credit others for having the brilliance and the ability, the foresight, the sensitivity, the commitment and the staying power to also put these issues on the national agenda, at different times in our political history.

Sir, I said the world did not start for me last year. When I was coming to this Chamber to the 1970s as a schoolboy, yes, my Party was in Opposition but I heard debates on this side of the House and that side of the House, by people who were talking about the modern economic development of this country.

Asides.

Mr. D.J.H. THOMPSON: The introduction of policies in the offshore sector, and the introduction of policies in relation to the financial sector, not all of them were agreed with on both sides. People asked questions about how we can get our financial system to rise to these kinds of challenges, how we can get the banking sector to be more responsible to the needs of ordinary Barbadians, and how we can get the insurance sector to cover a wider number of risks. These were being seriously debated in here; the extent to which you needed to expand the Government Savings Bank and create the Barbados National Bank, so that you had a true banking institution for the people of this country.

Sir, we are now reduced to a lot of empty talk about some kind of modern crusade.

Asides.

Mr. D.J.H. THOMPSON: Sir, I say let us not short-change the economic history of our country. Let us not short-change these debates by not getting to the root of the matter, and letting Barbadians know that all of us as politicians are concerned, when there are victims of house fires, who cannot get themselves back on their feet, in the shortest possible time. It is a drain on all of our energies, when there are victims of house fires who cannot get themselves back on their feet, in the shortest possible time. It is a drain on all of our energies, when we have to deal with those problems and can find no solution to them, through the existing social welfare agencies, through begging for assistance or even through community action, which sometimes fall short of the mark, in restoring them to the position they were in, prior to when the event took place. We are all interested in that, Sir.

Therefore, anything that goes towards that, we on this side, will support. We may say there is a better way, that there are things, which could be done, in addition to what is being done here, or differently to what is being done here, but I salute all those, over the past 30 years, who have tried to find a solution. I salute all of those who have assisted the victims of house fires in Barbados because there are a lot of citizens, who have come forward, without being asked, to assist the victims of house fires in this country. There are people in the construction sector, who have helped people rebuild their homes. There are citizens in the Kiwanis and the Lions Club, who have come forward and help people. There are even people working in Government departments, who have gone outside of what is available in the Government, and done their best to ensure a restoration of the lives of people.

Asides.

Mr. D.J.H. THOMPSON: I spoke about them too, and I spoke about the numbers of MPs whose branch offices were used by fire victims down through the years, and still are being used.

Sir, as I say, we cannot come in here, and I will not accept it, with a lot of grandstanding, which short-changes the people who have made a contribution in this country, in the past. Some of them will still have to make a contribution because this Fund is not going to immediately solve the problem, in the event that we had a major national disaster in this country.

I thank you, Sir.

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

Mr. T.A. PRESCOD: Thank you, Mr. Deputy Speaker. I would like to start on the premise that all Honourable Members, normally speaking form what I describe as, the conscious self, that intrinsic self, as representatives of the electorate, when they are committed to the obligation of truth and representation, would recognise the progressive and important nature of supporting an instrument like this.

Sir, sometimes we divert from the intrinsic self, because there are other interests that shape the value judgment of persons, in examining instruments of this kind, so sometimes, the political interest overrides the genuine intrinsic self. I thought about that when I listened to my comrade from the other side, the Honourable Member for St. Philip West.

I know that underneath genuine circumstances, when the partisan political interest is not there, he would never put central to his analysis, the importance of placing social

interest of ordinary people, in the hands of the private sector, but conditions are favourable to holding that view at present. I am absolutely sure that all of us, even some of the others on this side and on that side, who seem to be influenced by Thatcherism, an archaic ultra-right view - if you were not influenced by those thinkings, Thatcherism and Reaganism, consciously or not - would not have gone in that direction.

House 124, sequence 20, 14:20:14

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Hon. T. A. PRESCOD: The reality is that for a considerable time, this category of persons in Barbados was in a state of hopelessness and fear, more so now since there are major climate changes in the world.

Mr. Deputy Speaker, all of us are fully aware that it is not a case of people not wanting to have insurance, but that the people of whom we speak cannot pay for the insurance. The large majority of these persons are not the ones at the top of the limit of the \$125 000. More than 60 per cent of those chattel houses would be valued, according to present market value, way below \$50 000, and in some cases including the land, so you would know that the house itself would probably cost \$23 000.

Mr. Deputy Speaker, I do not know what kind of mental construct of the poor the Democratic Labour Party has in mind, but this instrument seeks to address and redress the concerns of people living in social squalor at the lowest end of the economic ladder in Barbados.

Sir, I do not understand how a sensible parliamentarian who has received the support of the majority of people who are living on the social rims of the economic ladder of this country could be thinking in terms...

Sir, I am a little surprised at the Leader of the Opposition, but as was well-said by the Honourable Member for St. Michael North West, he has never had the privilege of living in a chattel house. Mr. Deputy Speaker, the saying he who feels it, knows it, is alien to him because he never felt it before.

Asides.

Hon. T. A. PRESCOD: Mr. Deputy Speaker, I do not understand what the other side is saying because they are saying that we should not use the income consumption indicators to determine if somebody is qualified, but I would agree with that because I have expressed my views on these matters on more than one occasion. The income consumption qualification, and I heard that from the Honourable Member for St. Philip West as well, cannot be

used or should not be used alone because you placed the definition of poverty into a sociological framework of social deprivation.

Sir, social deprivation spreads it beyond the classical theory of just a breadbasket measurement, so it speaks to what are the areas that deprive ordinary people of being able to live a reasonable quality of life, with access to things like, health, education and social services.

Mr. Deputy Speaker, the point was made but then the logic that follows negates the point because sometimes you are abandoning the philosophical moorings that ought to guide you and ought to be the one that also influenced your political obligations. Sir, if you shift and leave out the principles, which help you to remain grounded in humanitarian principles, then you are subject to all of the confusions in your ideologies that ought to guide you.

Mr. Deputy Speaker, I think that was probably one of the unfortunate things that occurred in this discussion, especially from the Honourable Member for St. Philip West. I could understand the contradiction from the Honourable Member for St. John. I know that there is a major cleavage in terms of philosophical thought between the two individuals as representatives of the people. Sir, the problem which we have is that there is now a common interest because there is a false notion, grounded in a misrepresentation by a few pseudo scientists impressing upon them that there is a likelihood of an early general election and an interpretation of the collective numbers which they saw in Independence Square during the unveiling of the statue, so that is really causing some confusion. Sir, the pseudo scientists who have access to the media are giving people the impression... In fact, what you are seeing is a misunderstanding being governed by these triumphant feelings.

Sir, I really believe that when you stay on the outskirts of the City of Bridgetown and you see curious people coming to listen to you, especially when the battle is really in the New Orleans... Sir, I look forward to the night when we would meet toe to toe in the New Orleans.

Sir, I have to determine if the interest in these instruments which you are witnessing is a reflection of the interest of the very people who live in districts with clusters units, poor people with houses way below \$60 000 and \$70 000 in value, which you know that no private enterprise group would be prepared to insure. Sir, unless the Honourable Member believes that the general public is foolish, he would not even risk telling the general public that the State has no right taking on these responsibilities to represent the interest of ordinary people whom you know the private sector had the liberty, for decades, to insure their chattel houses and did not.

Mr. Deputy Speaker, what would make the Honourable Member believe now that with all the climate changes, which would have influenced the analysis that would have brought you to put an instrument like this on the table in Parliament... Mr. Deputy Speaker, one obviously would have to take into consideration that there are major climate changes in the world, and therefore the risk of disaster affecting the lives of those who live in squalor is much more intense today than it was yesteryear. The private sector did not take the risk then in insuring those houses.

By his own admission, the Honourable Member for St. John agrees that in order for ordinary black people - terms which cause a lot of people in here to vomit...

Asides.

Hon. T. A. PRESCOD: You are going to hear it until eternity. If you have a problem with your pigmentation, I am sorry for you. These same people you spoke about, whether your role was theatrical or real, who had to resort to self-help approaches...

Mr. Deputy Speaker, I do not know of any private company anywhere in Barbados or even in the Caribbean, I am willing to hear the enlightenment, that ever insured a house or a property that is worth \$35 000 or \$50 000.

Asides.

Hon. T. A. PRESCOD: Apart from houses in this country, they are reluctant to even insure a motor car that is over ten years old. They tell you to go the Ministry of Public Works and Transport and come back in order that the vehicle would be qualified for road worthiness.

House 124 Sequence 21

2.30 p.m.

Tuesday, February 13, 2007

Hon. T. A. PRESCOD: When you get back there, they are telling you that they cannot give you comprehensive insurance. Therefore, if you were to get into an accident, there is no way that you would be restored to the position in which you were, prior to the accident. There can be no principle in that, when they can send you back, charge you a large sum of money, only to offer you third party insurance, and then when you get into an accident, you have to resort to the Transport Board bus. Sir, the Honourable Member is fully aware of that but I do not know what external motivating factors would have caused the Honourable Member to shift from the truth.

Sir, any honourable man should speak the truth, any honourable representative of the people should speak the truth, and even if you were sinister - and I hope you were not - you would have to sell yourself by portraying that you were speaking the truth, even though you were not. Sir, therefore, for the Honourable Member to just talk about the descriptive nature of the document and not to give some credit to the Government for the prescriptive contents of it, is most unfortunate.

The issue that the Honourable Member is dealing with, is what is the definition of chattel, whether it has to have a point or if it has to be made of wood and concrete. Mr. Speaker, the fundamental issue is not the descriptive nature of it, but what we are doing in order to deal with and to respond to the social needs and suffering of the ordinary people in Barbados, who cannot, because of their state of poverty, restore themselves to the position in which they were, before a disaster. Sir, the problem is about addressing the social needs of the people.

Mr. Speaker, all this legislation seeks to do, is to buttress or to complement the other social instruments, which we have in place. Therefore, even if persons were not qualified under the conditions stipulated here, the logic that the Honourable Member has used, is the very logic says that this is only partially responding, and partially responding to a vacuum that exists in the system.

Sir, there are other agencies that deal with the issue of housing and in some cases, there is the elasticity in the arrangement, that apart from using the classical approach to analysis, there is also the sociological interpretation. Sir, even if somebody in that house were working beyond the income stipulated here, the sociological interpretation in the policy of the different agencies would allow us to say: "Well, there are three people in this house, who are suffering, who are challenged", and the Boards can say: "These people are challenged".

Sir, although the man or woman, who 'foots' the bill, is working for more than the qualification here, this is where the concept of social deprivation comes in. You look at the needs of the family - because there is a disabled persons who will never work - you will take that into consideration and make provision under that agency, to ensure that those persons are looked after. Therefore, the Urban Development Commission has that power in its hand. Furthermore, where that power is not in the hands of the Urban Development Commission, where additional assistance is needed, persons could then go to the Welfare Department. For instance, if the Urban Development Commission could only gave a house, all that person has to do would be to call the Ministry of Social Transformation or its Advisor on Poverty Eradication and we could direct you to the Welfare Department, where, on consideration, you could get further assistance in terms of furniture, beds,

refrigerator, et cetera. Sir, there is provision in the structure of the Government to respond, in a very wide and holistic way, and this was due to the fact that we recognised there was a cleavage and that it had to be closed. Sir, that is why we put this legislation in place.

Mr. Speaker, this legislation is nothing new. As was rightfully said by the Honourable Member for St. John, it fits into the trend of those sacred minds, those men of wisdom, who held to a principle, based on the historic experience, prior to the 1930s. Sir, we recognised that some of these problems, which we are now seeing, existed since the 1930s, but that the State has certain constraints. The State also has individuals who have certain values that could sometimes obstruct the process. These individuals are not only Parliamentarians. There are agencies of the State and sometimes unions and individuals in society, who criticise persons for their views. Sir, we must face reality, there are agencies of the State that are anaemic, they are pale in their appearance and bordering on full-fledged impotency. There are personalities as well.

Mr. Speaker, I am not blaming the Opposition Party or Government, the reality is that sometimes when we try to get things done, in order to help these very people, whom we are discussing today because of the nature of that bureaucracy we have spoken about, we are sometimes challenged by the very collective strength of that bureaucracy. Our challenge is that we should not speak the truth, for fear that they would chart our demise, because persons believe they could. They talk to us sometimes like they were speaking to little boys and girls. They tell us that we are here, only for a short while, but that they are well-secured. Sir, Ministers have been discussing that and those are some of the challenges that we have to face.

Mr. Speaker, I want to assure you that this instrument itself was not drawn out of a vacuum, there is, available to us, a body of indicators that tell us we have to respond to these concerns. Mr. Speaker, even without the data, from observations based on the things that the Honourable Member has said, about the fact that there are persons, including victims of the last Hurricane, who, up to this day, have not been able to have their homes repaired. Do you not recognise there is a need for more funding to the State, in order to redress that social difficulty?

Mr. Speaker, if persons hold to a principle that people's private problems are the problems of society, if you have a philosophical grounding that says to you that those, who are in possession of wealth, ought to assist those in need, and if that guides you on defusing the power of the State, in order to fatten the pockets and bank accounts of those already in possession of wealth - if you hold a different view because, to me, that is the method of measuring policies - my only concern is how would this

change affect, improve or even thwart the lives of ordinary people.

That is the question I ask myself all the time, every time I speak. I do not care if somebody calls it monotonous, obsessed with black issues or obsessed with working-class issues, one of the fundamental questions that must guide me always - if it does not guide others, that is unfortunate - relates to the very people that you do not want to talk about, the very people who make you come here. It is the majority class, they belong to the same majority race, and so I understand that well. Sir, if I am selfish and have only electoral interest, I still believe I am on the right track.

2.40 p.m.

(EDITED)

Mr. T.A. PRESCOD: When you convince me that I am off the track or when you convince me that there is something wrong with a man who is born in a community and has been given authority to look after the interest of the community, whether you are a parliamentary representative or an NGO under an umbrella unit called a community council or whether you are a man with a common interest in the community, as long as you are helping the poor...

Asides.

Mr. T.A. PRESCOD: I am going to say something that is favourable to you too, that you are also helping those, who are not so poor. If you walk and kiss on the beach at night and walk through the community with your hands around your spouse or wife, whichever term is accepted by you, you have to ensure that people who cannot eat, get food and you have to make sure that they live in comfortable conditions. Sir, if in the City of Bridgetown, there are people in Bridgetown, who receive the benefits of any programme, whether it is led by a person from the City or out of the City, the fundamental point is not your morals or my morals because you want to put a judgement in society where you want to compare your morals on the other side with our morals over here. Your moral is that since there is a Barbados Labour Party candidate in Bridgetown and since he identifies himself with what is happening in the society, that it is wrong but if it was yours, it would be right. Mr. Deputy Speaker, if somebody else was doing it, there would be nothing wrong with the principle of doing it but you are concerned with the defeat that is pending in the City of Bridgetown.

Asides.

Mr. T.A. PRESCOD: Sir, everything is very clear to him because the other man, who is your symbol of representation in the City, is a very nice fellow but

ineffective. Sir, he is so great that he does not even know that he is ineffective. He is so kind that he has reached the stage of bordering upon being foolish. A man like that can do nothing but point at mosquitoes in a gutter and all the time, he walks and laments. You recognise that he was no use whatever in relation to representing the people of the City because you dumped him, after working extremely hard, walking around aimlessly because that is what he does, Sir.

In a modern Barbados with intelligent people, who know they were not working, a person goes into the City of Bridgetown, helps them to get a job, helps them to get a piece of the cake out of the large sum of money being spent on World Cup, do you believe they have time with you in the borders of Eagle Hall, into all type of tasteless propaganda, personal attacks on individual credibility, and in the same Parliament and on platforms, talking about the manner in which the youth of Barbados is behaving.

Sir, the leaders, the men, who purport to be mentors in the system are walking about levying personal attacks on people and using all forms of pejorative language to describe persons. They are even implying that people are involved in debauchery. Sir, if you really want to know about the history of parliamentary debauchery, check the political Party on the other side. I know because I was in it and I know of what I speak.

I heard them trying to clear the credibility of people, who live on the borders of the City all in Stanmore Crescent.

Mr. Deputy Speaker, rather than dealing with serious issues, you are into standing on a stage with 'buffoonery', trying to make people believe that if you are given the opportunity to lead, that you would have done things completely different.

MR. DEPUTY SPEAKER: The Honourable Member has two more minutes.

Mr. T.A. PRESCOD: Mr. Deputy Speaker, I believe that I have the confidence that if you were capable of making people believe that in the 1950s, with the expansion of education, I give greater credit to the people of Barbados. Sir, this matter relates to my interest. If you want to know about working class, I left my mother's house when I was 11 months old because she could not feed me. Do you want that history? My aunt took care of me because my mother had no food to feed four children. You should not try to distort. The problem with most of you is that you want to distort the truth because you believe that people in Barbados are unwashed and foolish. You hold a perception about people that they do not have any intelligence and you can spin issues and even men, who act completely different in their gender role, you want people

to believe they are real men. The time will come, when all that you have said in here and outside, you will have to draw the battle lines in a toe to toe exchange. The time will come very soon.

Mr. Deputy Speaker, every effort at doing something for the upliftment of the poor in this country, including in this instrument, the other side gets passionate. I must tell you the truth and this is from my heart. There is only one person on the other side that I am concerned about how he could do this, but when I subject it to serious analysis, I conclude that he believes that the political condition is favourable to saying these things but, in his heart of hearts, he does not believe it.

Mr. Deputy Speaker, there are people who believe that this is a stage but deep inside, I am confident that the vast majority of children of ordinary poor people can empathize with this instrument. I do not know about those who have abandoned faith in their own, I have not but when I see an instrument come to Parliament that helps to enhance the life of the ordinary people, I tell myself, those are the people from whom I sprang, that my class, that my race, and I have a responsibility to them.

Mr. Deputy Speaker, I know that other people in this society understand the importance.

Sir, if you understand the findings out of the Commission in the 1930s by Lord Moyne and the Deanes Commission, you would understand how important it is to address the concerns of people at the lower level of the society. Sir, the City is an example, not only now but since the 1930s.

MR. DEPUTY SPEAKER: Honourable Member, your time has expired.

Mr. T.A. PRESCOD: Mr. Deputy Speaker, I want to thank you for entertaining me for the short while.

MR. DEPUTY SPEAKER: The Honourable Member for Christ Church East.

Hon. R. R. FARLEY: Mr. Deputy Speaker, I rise in support of this Bill to provide some measure of protection for the most vulnerable in our society.

Sequence 23

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Hon. R.R. FARLEY: Indeed, Sir, this separates Barbados from societies larger and richer than us, for example, like the United States of America, where those who are able to make it, make it well and those who are not

able, are left behind. There is a winner takes all kind of scenario.

Sir, we have always had the view, that we need to make sure, whilst we do nothing to stand in the way of those who are able to run farther and faster than we are, we make sure that we bring along with us, all the members of our society.

In fact, as stated quite eloquently by the Honourable Member who just spoke, the reality is that our historical origins must never be forgotten. We must always remember that our modern, country and modern form of Government, really had its start in the 1937 riots, and we still have to ensure that unlike the Governments of the past, we do all those things that are necessary to protect the most vulnerable, and to make sure that people's circumstances at birth do not become the principal determinant of their success in life, or where they end up at their death.

Sir, the matter of recognising that we are, in fact, in a part of the world, where we have our propensity towards our own share of disasters, is an important starting point.

Sir, we are blessed in this country, that we have not had large-scale natural disasters for the past fifty-six years, Hurricane Janet was the last. Most of us here were not even born then. We heard of it, but we have not experienced it, before that, it would have been the hurricanes of 1851 and 1897.

In fact, those who study climate changes, in this region say that it is around every fifty years or so that, in the past, we have had a catastrophic hurricane, nothing so in recent times. It is in time of plenty when we should provide for our possible future time of need. This is what this Catastrophe Fund is seeking to do, to make provision now, that in the event of a catastrophe, large-large or small-scaled, that we have funds put aside.

Initially, through injections of funds by the Government, \$2.5 million a year, but ultimately, after five years, using that fund by way of investment, to build on the Fund.

Sir, I want to support Honourable Members on our side, especially, those who have recognised the importance of this Bill, not focusing on the mere details alone, as important as they are, but recognising that this is a continuation of our commitment, certainly for this Party, to build a better life for our people, especially those who are most vulnerable.

Sir, this matter of recognising where we are and preparing for disaster, requires two things. It requires efforts at prevention, doing a number of things before disaster even strikes, and the matter of recovery. This Bill

speaks primarily to recovery, what do we do to relieve the suffering of the people and restore them to their normal lives, whether it be one house fire, a flood affecting their community or a hurricane affecting the entire island.

Sir, we have all seen in the United States of America, with Hurricane Katrina. We have seen the most powerful country in the world, a large army, sending men to the moon, sending unmanned craft to Mars, great scientific inventions and great manufacturing capacity, and what happened with Hurricane Katrina? You had an entire State of Louisiana, mainly focused around the City of New Orleans, which was like a forgotten part of the United States of America. Sir, no proper preparation was made for a disaster, which one should have been able to anticipate. In the Gulf of Mexico, you will get hurricanes. There is no shock and surprise.

Sir, we have made a determination as a Government that this country must never find itself like New Orleans, in the wake of Hurricane Katrina, where people are left wondering where is our Government.

Sir, I heard a resident say he believes that it would have been easier to get foreign aid, than to get help from the Federal Government of the United States of America.

Sir, we usually build the matter of disaster recovery, in terms of financial protection provided by insurance, and that is fundamental, but the State will always continue to have a role to play, over and above what the insurance companies could do.

Sir, of course, this Government, through this Bill, is not suggesting in any way that it does not continue to be a need to ensure, through adequate insurance legislation, through strong Supervisor of Insurance Office and through regular cooperative meetings with the insurance industry, that we do not, in fact, ensure that the insurance companies, and the way they operate in Barbados, is to the benefit of consumers and customers generally.

Sir, I must say that I am satisfied that our insurance professionals in Barbados, like good Barbadians, are understanding of our circumstances and have been as cooperative as they can. Some individual companies are better than others, but they face a reality as well, with the shrinking of opportunity for reinsurance and diversification of risk in the overseas market.

Sir, the big reinsurers are like people with an umbrella. They would be happy to lend you on a day, like today, when the sun is shining, but as soon as the rain falls, they say to give them back their umbrella, because they need it themselves.

Sir, we have had the Barbados Light and Power Company Limited, in the wake of hurricanes in the United States of America, not so much in the Caribbean, they, about five years ago, started finding it difficult to insure their poles and wire, what they called their outside plant. They had to form a captive insurance company to do self-insurance. I believe that Cable and Wireless would have had to do that as well.

In the wake of 9/11, the bombing of the World Trade Centre, reinsurance companies, up to Lloyds Insurance in London, either did not take certain forms of insurance or charged very high premiums, which has caused some companies with a large number of buildings and other assets to go into self-insurance.

Sir, even though our history of hurricanes are less severe and less frequent than that of the United States of America, we have had the Caribbean listed as a high risk area, and some local companies are finding it either impossible or highly expensive, to obtain Hurricane cover. The reinsurers overseas, said that if hurricane Andrew cost so much in Florida, Hurricane Katrina cost so much in New Orleans, we are projecting that a hurricane in the Caribbean, based on the luxury hotels and other sophisticated plant, would cost us substantially.

We have a reality, that whilst we do have to make sure that the insurance industry behaves itself ... Sir, I do not know if you have been following internationally, we have the big scandal again, out of Hurricane Katrina with State Farm Insurance, the largest insurance company having the majority of business, in that region of the United States of America, they have denied the majority of claims for compensation, arising out of the damage in that region of the world.

15.00 p.m.

Sequence 24

Tuesday, February 13, 2007

House 124, sequence 25, 3.00 p.m.

Hon. R.R. FARLEY: In fact, it is so ridiculous, they say that the damage to the houses in several regions over there - Bay St. Louis, is one city there for example - is due to flood, not wind, and they do not cover floods. What is interesting, Sir, is that along the street, those houses covered by State Farm, have not been compensated but those houses covered by other companies, have been compensated for wind damage.

What it says, Sir, is that yes, we did have the insurance. I am satisfied that we do not have State Farm in Barbados but I would urge consumers to read their

insurance policies, because at the end of the day, insurance is a contract. You get what you pay for. It is also one of those areas, in which, to be honest with you, Sir, as ordinary consumers, I am sure if you were to take a poll around here - we do not do polls in here - but if you were to do a poll in this Parliament and you asked Honourable Members how many of them have read their insurance policy, at all, or lately, you would find that as regular consumers, we trust our insurance companies, and we say to them we want to get hurricane, flood, other perils or whatever.

Asides.

Hon. R.R. FARLEY: I am sure, Sir, that the average consumer out there, is not intimately average, in terms of knowledge of the contract. The average consumer of insurance does not sit and read his policy, in the way that he would read the users manual on a new DVD player that he has bought or a new cell phone.

It is only at the point where claims are to be made, that then you get the information, that the roof is considered to be on x per cent of the overall value of the house, and you hear about proportionate system, and we cover this and we do not cover that. Sir, that is for those persons who may have insurance and, yes, they may have their issues as well.

The reality, Sir, is that for a variety of reasons already articulated by Honourable Members in this Chamber today, they continue to be a number of householders that are not in a position, for one reason or other to obtain insurance. Why is that? One of the reasons, Sir, is part of the Barbadian culture and tradition. When you think about it, Sir, many people have houses that are under the value of \$125 000, as mentioned in this Bill, and many of the persons whose income is below the \$22 500, as mentioned here, are persons who continue to be part of the Barbadian tradition, in which I was raised.

Sir, you grow up in a district, you are getting married or you get old enough and you want some privacy, you want to start your family, you would enter into an arrangement, formal or informal. In the case of my own father, he would have built in 1955, just after Hurricane Janet. The house is still standing. He was a good carpenter, and he used good wood. In 1955, he built next door to his mother-in-law, my grandmother and grandfather.

In those days, Sir, as is the case now, I am sure, the principal consideration would have been shelter, so once you put your house up, you tended to have the household around you, and sometimes, all the cooking is done in one house of a cluster of three or four, and you are happy.

There are those persons, who in the tradition of Barbadian self-help, using what the professionals now call, incremental building, it takes the average Barbadians five years or more to build his house. Again, there are many people who either are not in a position, or have no desire, to engage themselves in a 20-year mortgage, they, in a strong Barbadian tradition of thrift have been able to use some initial savings and then finance their construction out of their weekly or monthly wage. When they get paid at the end of the week or month, they say that is for the mason, this is to buy some sand, that is to buy some cement. You put the steel under the cellar until you are ready. You buy some 2x3s and some 2x4s and you start your assembly in the backyard. Sir, after a few months, you put up the frame. You, put on the roof and you put in the windows when you 'catch your hand', you then put on the doors and close up, then you call in the electrician and plumber, and that is the reality very much of how house construction is still done in this country.

We must not fool ourselves that everybody is one in the kind of formal long-term job situation, where they either can get a mortgage from a finance company or buy a house that is already completed, because in that kind of scenario, insurance is an inherent part of the contract. You can only get a draw-down of the money from the mortgage company with insurance.

Sir, we therefore have several different approaches to persons providing shelter for themselves. Provision of this kind of protection, recognises that there are those decent, hard-working members in the Barbadian community, who will be using that incremental approach to building as well, and insurance would not factor in there.

There are other cases as well, Sir, where persons are not in a position, where insurance companies may offer fire protection. Fire is widely available but the other perils' protection, they may not offer. Therefore, Sir, I support this Bill 100 per cent. I am sure that the people I represent, decent, hard-working Barbadians in Parish Land, Silver Sands, Enterprise, Coverley and Fairy Valley, while they want to help themselves, they are not looking for any welfareism, but they would appreciate, Sir, the knowledge that in the event of a disaster, there is a mechanism that helps them to get back on their feet and become fully productive members of our society, in the shortest possible time.

The reality, Sir, is that people are not robots. When there is a house fire, or there is a flood - and this may not be a national wipe out. Sir, it may be a localised event, but you can rest assured that the persons who are affected by that calamity in their lives, cannot be at their best, as a barman or waiter in a hotel, a public officer, a bus driver, or a bank teller, that is the reality. Sir, our caring society is built on the principle that if one hurts, it is one too many.

Therefore, I must applaud some aspects of the speech made by the Honourable Member for St. Philip West. He was not as his worst today, but I do not agree with him that this Bill - and I interpreted him to be suggesting that this matter - should have been predicated along the lines similar to a trigger mechanism, similar to the United States of America, if the scale of disaster is of a certain magnitude, you declare the area a disaster, thereby triggering federal assistance, and that is one mechanism.

Sir, but in my thinking, we have to be creative here and, we will have those situations of clear, national, wide-scale disaster, as in a large hurricane. The reality, Sir, is that in the cases of Hurricane Lilly and the one before that, there was not a national 'blowout' but in specific areas, there were strong gusts of wind. In some communities, four or five houses were touched but, maybe, it did not affect another community.

Sir, across the island, you could have had 50 or more houses which were damaged. Sir, are we saying that because 5 000 houses were not damaged, those individuals should not be in a position to benefit? I say, no. While I accept the model is one to be considered, this model, Sir, provides flexibility.

Sir, I believe that it is important for the persons who constitute the Committee, which will make decisions and will give interpretation of the Act and regulations, to be flexible, and not to become too legalistic and narrow in their thinking, and not to pretend that they are an insurance company.

House 124, sequence 25, 15:10:16

Tuesday, February 13, 2007

Hon. R. R. FARLEY: Sir, sometimes you could get the view that there are companies which, even though they hold out these policies to you, look for every clause as an exit or escape so as not to pay you. They say yes the damage has been done, but you are not qualified for the payment. This must not be the perspective taken by the Committee.

Sir, as time and distance is increased between when Parliament would have considered legislation and when generations later are implementing that legislation, sometimes they forget what is the intent and purpose. I would hope that future committees, five years, ten years, 25 years from now, would remember that this Parliament, on all sides, recognised and agreed that the intention is to help the people who are less able to help themselves. Sir, at the end of the day, one must use definitions, but definitions, at the end of the day, would have a beginning and they would have an end, they would have their limits. Sir, one could argue over \$125 000, \$130 000, \$120 000, \$22 500 or \$30

000, the reality is that if we are to be reasonably clear, we need to use definitions and other descriptions which are meaningful and which are easily checked.

Sir, in tying these two figures to the Income Tax Act, where there is already a mechanism for checking those persons or for persons to be so registered, as identified, as earning under that threshold, and using the land tax mechanism where already because there is a land tax free limit of \$125 000, one could easily identify those properties that makes it a working definition, that is meaningful.

Sir, in relation to the argument about using disposable income as opposed to growth income, you would have to get into a large administrative bureaucracy, into means testing and into finer details as to what really constitutes the disposable income. Is it income after taxes; is it income after taxes and mortgage and bank loans; is it income after taxes, bank loans, car loans and food; or is it income after all of the about plus the cell phones cards, entertainment money and the church offering? Those are the practical realities.

Sir, I appreciate the sentiments expressed but matters relating to taxation, fiscal policy, rebates and relief generally have to be certain. They have to be things that can be followed through and that have meaning. That is why we have to use these numbers such as there are.

Sir, I hope that this Catastrophe Fund would be expanded and it would grow. We need, as a region, to ensure that we have a meaningful and substantial regional Catastrophe Fund, because one of the true benefits of regionalism is that we not only share in the benefit, but that we also share in the cost of recovery in the event of a disaster.

In the 21st Century, this region cannot depend - and we know how unreliable they are - on going to the international community to seek funding after a hurricane, a flood, a tsunami, an outbreak of the bird flu or some other issue, to which we are vulnerable. It is part of the ongoing process of maturity on Independence, that we have to learn to depend more on ourselves. Therefore, as a region, I trust that sooner rather than later - I know the preparatory work is being done - that there would be an active regional Catastrophe Fund with rules, guidelines, regulations and the money, so that we could help ourselves in the event of a disaster.

Sir, the reality is that when we had our issues here, I believe it would have been Hurricane Lily, and one or two of the countries in the Caribbean have had a brush with Hurricane Ivan, and when they sought international help, they found themselves competing with Hurricane Katrina, with the Tsunami in Asia, with the Iraq war and after a while they found themselves competing with time because

while the international community would pledge its money in the heat of the moment, it sounds very good and fancy to do so, as times go on and a new disaster hits somewhere else in the world, nobody remembers you, and this region is no great geopolitical threat. Sir, in this international world you get attention based on how much of a risk, in a geopolitical sense, you may constitute. Sir, I want to see that fund going.

Sir, for all those reasons, I want to join with Honourable Members who have articulated a position. I want to say as well that as part of the business of this recovery effort, prevention is very important to this Government. I want to support as well the sentiments expressed earlier in the debate concerning the support for the work which is being done by the various arms of Government, the Urban Development Commission and the Rural Development Commission, in improving the quality of the housing stock in Barbados.

Sir, the 2000 Population and Housing Census of Barbados, indicated that some 48 per cent, about half of the houses in Barbados, are over 26 years old, they were built pre-1980. Sir, if you consider that a large percentage of those houses are wooden houses, you would understand why the issue of maintenance, improvement, repair and renovation becomes critical. Therefore, when the Urban Development Commission and the Rural Development Commission go forward and repair houses for people, it is also part of this catastrophe and disaster mitigation efforts. A sturdy, structurally sound house by definition, and commonsense would tell us, can better withstand a catastrophe, be it a hurricane, a flood or otherwise. Mr. Deputy Speaker, it is this same class of persons earning these small incomes that are the beneficiaries in those instances.

Mr. Deputy Speaker, mention had been made here earlier in the debate of efforts that are being made, not only in the housing improvement but in the general beautification programmes across the island, including the housing component, which is all part and parcel of that programme.

Sir, I strongly support this Bill, but set it in the context of the fact that the matter of our geography was set for us at the creation of this world. We live in a part of the world where vulnerability is part of our everyday existence. What we have to do in these days of prosperity is to make adequate provisions, by way of these funds, so that should we ever be faced with a situation in which we have to help the most vulnerable in our society, we would have the resources already put aside.

Mr. Deputy Speaker, I want to support this Bill and to urge its support, not only to Honourable Members on both sides, as I am sure that they do, but to this wider

Barbadian society where even though those persons who would not be beneficiaries will, in the tradition of our socialist society, be invited to put into the general pool for redistribution to the most vulnerable and needy members of this society.

Mr. Deputy Speaker, I thank you.

House 124 Sequence 26

3.20 p.m.

Tuesday, February 13, 2007

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

Hon. Miss H. E. THOMPSON: Mr. Deputy Speaker, this has been an interesting debate but it is a historical moment. Sir, what the Government is attempting to do, is to provide for a cohort of people, who are vulnerable members of the society, and in the case of insurance policies, to make provision for them now, with a fund that gives support in times of disaster.

Sir, it is a critical step we are taking in the expansion of Government services, in the provision of social services, in the socioeconomic development of our country, and it is important in the context of providing a social safety net for people in our society, who will fall under the crack and who, in the event of disaster, are almost left without assistance and support. Therefore, what Government is saying, is that there is a clear and obvious weakness in our housing development structure and in our defence mechanisms. It is in the context of risk mitigation and risk avoidance that this fund is being developed.

Mr. Deputy Speaker, the Honourable Member for St. Michael East today was making the point of the difficulty there is, in insuring chattel houses in Barbados, and some people sought to suggest that it was not necessarily so. My experience as a Minister of Housing, is that even when Government was providing housing under the Primary Homes Programme, several commercial entities were coming into the programme, as preferred partners. These were the people providing goods and services at concessionary rates. Sir, there was a rush to provide insurance on the part of several companies in Barbados, but they wanted to provide insurance and protection, specifically for the wall houses. Sir, if 10 insurance companies had applied to be part of the programme, less than one-third of them were willing to insure wooden houses.

Sir, even when we said to some of them that we could not give them the premier choice of insuring the wall houses only, that they had to agree to insure the wooden

houses as well, because of the fact that nearly 70 per cent of the applicants had applied for wooden houses and therefore we could not agree that a large number of companies could only insure wall houses and that wooden houses would be uninsured, they preferred not to be part of the programme at all, rather than carrying the risk of insuring the wooden houses.

Mr. Deputy Speaker, it is critical that even though the cost of insurance for wooden houses in Barbados is not high, even though a householder wants to access it, it is extremely difficult. It is difficult too, not only in circumstances where people own their houses and land, but where the house is old or not in pristine condition. Sir, we were offering the insurance companies new hardwood houses, not houses that might have been there for 10 year, not houses that might have passed through from generation to generation, not houses that were in less than ideal condition, yet the insurers refused to take that risk.

Mr. Deputy Speaker, there are a large number of persons in Barbados, who live in wooden houses, who would be glad to have them insured, but who cannot get coverage. Sir, that is the social reality, that is the mischief which Government is here seeking to correct, by bringing this measure before this Honourable House. This measure is providing for a number of people, who, even when they want to make provision, cannot access the service in the commercial market in Bridgetown. That was my experience as Housing Minister in this country, that we could not persuade the majority of insurance companies in Barbados to insure wooden houses.

Mr. Deputy Speaker, if you understand the social history, it is the people who live in wooden houses, who were always socially alienated. They are the ones, who came off the plantation land and according to where work could be found, sought their fortune from estate to estate, from village to village and therefore had to be able to carry such shelter and cover as they had with them. The notion, therefore, of the chattel house is that the house was movable, that you could take it with you when you and the estate owner fell out; when the foreman said there was no more work and your situation in the labour market were so tenuous, you could take the house and your family and go elsewhere and find work.

It is true that, over the course of time, some chattel houses - which I agree are a socio-cultural icon and have certain features that make them very appealing - have become ornate and exquisite and that is a good thing but even in those instances, it is still in some circumstances, difficult to find insurance.

Mr. Deputy Speaker, you would find situations, where in cases of disasters, people with chattel houses would often be the worst affected. As a result, two things

happen at that time: first, Government would be put in the position, because these people have no insurance, where we are forced to repair or rebuild large numbers of houses; or for whom the society has made no provision and people whose socioeconomic circumstances are such that they cannot afford to rebuild the one house they have struggled, over the years, to construct. Sir, sometimes that house has been built with the resources of several members of the household, as they 'catch their hand'; with the resources of the community coming out on Saturdays or Sundays to give them a hand; with the effort of them building on incrementally over time. Therefore, you are talking about houses that have come to these people through the hardest and greatest struggle and effort and yet when disaster strikes, they are the persons who are left without and are unable to replace their houses. It then falls to the Government to fix or to repair them all at once, as well as to deal with any Government properties, which would have been affected.

This fund removes that difficulty from Government's plate. What we now have is a fund with resources. The Government has committed to put in a sum of \$2.5 million, over a five-year period, with members of the public being asked to contribute less than \$3 per month, to ensure that the 30 000 or 35 000 wooden houses in Barbados are covered, in the event of a disaster or catastrophe.

Mr. Deputy Speaker, what is significant about this fund too, we have pointed out the weaknesses of insurance companies, while others are asking why would these people not fall back on insurance. Sir, apart from the fact that it is difficult for that sector of the population to obtain insurance coverage, the reality also is that even when you pay insurance - which many found out during Hurricanes Lily and Ivan, particularly Lily - in the same way the insurance companies applied an excess provision in relation to motor cars, the same applies to property. Therefore, even though you have been paying your insurance premium, you suddenly found that the first

\$20 000 falls to you, but for a person who owns a chattel house, who is within the salary range that this policy would apply, it would be difficult to be able to find

\$20 000. That might be a considerable amount of money, which sometimes might be perhaps one-third or one-quarter of the overall value of the house. Therefore, it would be difficult to ask them to do the substantial repairs, which would have been caused by a catastrophe, and it is also difficult for them to access funding for a property on which they perhaps are already paying a loan or mortgage. Sir, that is another weakness in the insurance industry and another consideration why this Catastrophe Fund is necessary.

3.50 p.m.

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(EDITED)

Hon. Miss H.E. THOMPSON: Moreover, it is also true, that insurance policies do not cover certain floods, they do not cover what they describe as acts of God, so that in the event of certain types of catastrophes outside fires, people with wooden houses would still find that they have no insurance coverage because the event is classified as an act of God and does not fall under the umbrella of the insurance. It is, Therefore, critical that the Government and the society should make provision for that 40 per cent of the population, who would be in dire straits in the event of a catastrophe of this sort.

Mr. Deputy Speaker, it represents two things. Government's attempt to help a section of the population, who truly needs help and Government's attempt to protect the housing stock of Barbados and to maintain housing stock in the event of crisis. Sir, if you go to countries, where there has been severe disasters, hurricanes or floods, it is the housing stock that tells the tale of the trauma. I have been to Caribbean countries and see roofs off for miles, people's houses covered with tarpaulin, siding gone, half of a house is blown away and sometimes part of the floor goes with the super structure. This is what we want to avoid in Barbados.

Mr. Deputy Speaker, what is the role of a Government? When a society reaches the stage, where 200 000 of 270 000 have cell phones, you are talking about a level of prosperity and an access to luxury goods and information technology. Sir, 70 per cent of Barbadians have computers and access to the internet, a higher figure than some parts of the developed world but we have to look beyond the trappings of prosperity to ensure that all have access to the economic wealth. While we are making provision for the development of Kensington Oval for World Cup, we also have to make provision for the comfort and sustenance of the average Barbadian and protect him against the worst kind of strike of disaster.

Mr. Deputy Speaker, this is not the only protection. What we are doing here today, has to be seen in conjunction with what the Government has done, in respect of housing development and protection for low-income persons in Barbados.

Mr. Deputy Speaker, there has been mentioned by the Honourable Member, who spoke before me, the reversed tax credit from which several Barbadians benefit. This is the raising of the threshold beyond which you do not pay income tax. While people complain about how expensive it has become in Barbados, they never tell you

that far fewer people are today paying taxes than ever before in the history of the country and that a larger number of people, close to 20 000 get back, when they file, something in their hands from the Government, as a concession and as a sort cost of living allowance and a buffer against changing economic fortunes and rising prices in the economy. Sir, people do not talk about that, but it is part of the reality today.

Mr. Deputy Speaker, it is also a fact that Barbadians today are paying less income tax than they were 12 years ago, that is also a part of the reality that Government has put in place to help protect the society. Moreover, as a way of dealing with the housing issue, in an effort to ensure that a larger number of Barbadians own their homes, Government has put in place the 100 per cent mortgage facility, which is still being carried on by the Barbados Mortgage Company Limited and by one or two of the commercial banks, to the extent that the competition for mortgage loans is now so high amongst commercial banks and financial institution, that all kinds of people are accessing property loans for the first time and are able to get loans at 100 per cent. Sir, that has significantly increased homeownership in Barbados.

Mr. Deputy Speaker, the time was, when you had to save 10 per cent or 20 per cent of the property value in order to be able to access a loan. All you have to show today is that you are working in a stable job and you can access 100 per cent financing. Moreover, two years ago, the Minister of Finance the Honourable Member for St. Peter, took a decision that land tax is no longer payable up to \$125 000 in value. The persons who are benefitting from the reversed tax credit and the others, who are not paying taxes, where they are owners of property, not only can they access properties and loans at reasonable rates and get the 100 per cent mortgage but they no longer have to pay up to \$125 000 in land tax value and this is on most chattel houses in Barbados. It is only one or two grandiose structures, people who build a chattel house that is the equivalent of a wall house, in terms of layout, style, value, finishes and so on that would be over \$125 000. The vast majority of chattel houses in Barbados would not be subject to land tax payment. Mr. Deputy Speaker, if you think of this as a network of policy initiatives, this is another piece of the fabric in the quilt of social policy network, intended to protect Barbadian citizens and intended, in particular, to save and protect the poor and the vulnerable.

Mr. Deputy Speaker, it is a matter of concern to me that it would appear that every time something happens from which poor people can benefit that the Democratic Labour Party, even when they say they are supporting it, find a way to make the most derogatory remarks about it. We are hearing derogatory remarks today about the Catastrophe Fund. When the land tax came off, they

criticised that, when the 8 per cent was restored, they objected. They have difficulty with every initiatives that is intended to help poor people or to ease the economic load that people in this country are carrying and yet they say that the Government is doing nothing.

Mr. Speaker, my question would be, therefore, which they never ask, Sir, what is it that they would do to help the poor and vulnerable and how is it that you can be a Party of Errol Barrow and every time something happens to help poor people and vulnerable people in this country, you find a way of rationalising or justifying and objection to people having their circumstances improved.

Sir, I would for the first time wish, therefore, to comment on the level of invective that Lieutenant Colonel Bostic, who has been known to me for 42 years - we sat together, in infant school at the St. Mary Infant School in the city and, therefore, I view him as a brother from the city, of the people whom I have known in my life, he would have to count as one of the longest. There are not a lot of people I can say that I have known for 42 years.

H124/15:40

Sequence 28

Tuesday, February 13, 2007

Hon. Miss. H. E. THOMPSON: There are not a lot of people that I have known for forty-two years. I went to school at the age of three and Jeffrey, who is a year older than I am, was already at St. Mary's Primary School. We have been friends and associates, and now political colleagues and comrades from that time.

Sir, objection is being taken to the role that he is playing in directing and coordinating repairs to houses and the improvement of facades of houses in the City.

Sir, let me say that what the Lieutenant Colonel is doing is causing no harm to the candidate of the Democratic Labour Party. The harm to the Democratic Labour Party, if there was any, was caused by the fact that it is public and common knowledge, particularly in the City, that his Party Leader did not want him, was not supporting him and was looking for another candidate with which he was to be replaced. That is common knowledge, and people in the City firmly believe it. Therefore, if he did not have the support of the Party Leader, if he was not good enough for the Democratic Labour Party, why should the people of the City feel that he was good enough for them, so, that is where the harm was first done to him.

Mr. D.J.H. THOMPSON: On a point of order. I believe the Honourable Member is misleading the House. Colonel Bostic was Deputy Chief of Staff of the Barbados

Defence Force, and the Prime Minister refused to make him Chief of Staff. It was not us. Therefore, we should not take the blame for discarding Colonel Bostic from the highest military appointment in the land.

Hon. Miss. H. E. THOMPSON: The facts speak for themselves. If, in fact, Colonel Bostic was discarded, he would not be running on a Barbados Labour Party ticket. However, Mr. Todd was walking about the City for twelve years, but was not amongst the first candidates for the Democratic Labour Party to be nominated. He was in the last batch. The last stragglers, that in the end, they felt that they did not want any more infighting in the Party, and if he were not nominated there was going to be some objection, because he was walking about the City for twelve years, so, give him a chance and that is how he got in. It was not out of any want. It was not out of recognition. It was not out desire. It was not out of admiration. It was not out of any sense that he deserved to be a candidate or could win. It was simply because there were to be no more public fights seen within the Democratic Labour Party. That is why it is known that Mr. Todd is not wanted. Sir, for twelve years he was walking around the City and was the last candidate of the Democratic Labour Party to be nominated.

Sir, the Honourable Member for St. John cannot get up and deny that, because that is, in fact, the reality. The people in the City know.

Sir, if you are in a constituency for twelve years and there are to be nominations, you should be amongst the first to be nominated if you are wanted, but he was the last. Do not forget, and the people of the City did not forget, that Mr. Todd was already pulled for Mr. Pandor. That is a reality. He walked about and when he thought that he was walking into the nomination, he received the "boot" of the Honourable Member for St. John, Leader of the Democratic Labour Party. So people know that Mr. Todd is not wanted by the Democratic Labour Party, they have no respect or regard for him.

Sir, this whole thing with Colonel Bostic is therefore a smokescreen, to disguise the depth of the contempt within the Democratic Labour Party for Mr. Todd as a candidate, and that is a reality.

Sir, there is no advantage being given to Mr. Bostic. It is disadvantage being given to Mr. Todd by his own Party. That is the political reality. I want to hear the Honourable Member for St. John rise now and object to what I am saying. Let him call me on a point of order, if, in fact, what I am saying is false, let him call me now.

Asides.

Hon. Miss. H. E. THOMPSON: Moreover, let us try to understand what is happening. A job was to be done in the City, it does not involve hundreds of thousands of houses. It does not involve the whole City. It involves a small geographical area around a radius of Kensington Oval. It is important to recognise that Mr. Bostic is not being used all over the City.

Sir, when I was the Minister of Housing, I met with the people from Cricket World Cup Barbados, as did the Prime Minister, and in separate meetings, we both made the point that they could not have money for Kensington Oval, without upgrading the environs surrounding the Kensington Oval and making the communities around there look better. Wherever there are international games or meetings, I have seen it in Africa, where the international media goes, not only into the high quality facility for stadia, where the events are being hosted, they go into the surrounding communities.

I have been in South Africa for an international meeting, and night after night, on the television, when you think you would be seeing what transpired during the day, the international press is showing the squalor of the residential communities surrounding the areas where the meetings were being held. We have to avoid that here in Barbados, and Cricket World Cup was given a specific instruction that in the same way we have decided, as a matter of policy, that the area around the Central Bank must be upgraded, in the same way as a matter of policy, we have negotiated a Neighbourhood Upgrading Programme with the Inter American Development Bank, that this event was not to happen where people who live in the shadow of Kensington Oval, would have to look up at a renewed structure, and still come through their yards every day with the palings still dropping down, come through the front door every day with the hinges missing.

A decision was taken that in the same way, the Government was committed to spending money on Kensington Oval for the benefits it would bring to Barbados, we were committed equally to ensuring that there was at least a strong cosmetic, and in some instances better than cosmetic improvement to the residential communities around Kensington Oval. We would not give the international press an opportunity to parade before the cameras, conditions of squalor surrounding the Kensington Oval.

Sir, Jeffrey Bostic, is working in a security role with Cricket World Cup. Given his strength and experience as a soldier, given his capacity for organisation, coordination and logistics - because this was something that had to happen with efficiency, rapidly and well-done - he was given the responsibility of working only in that area, that immediately surrounds Kensington Oval.

Sir, there is no great political advantage for him from that. Mr. Todd already has the handicap of being an unwanted candidate and a last choice. That is the handicap with which he is running in the political race. It is not Jeffrey Bostic's fault that he is a man from the City, that he has conducted himself with pride, that he has distinguished himself as a student, a former Combermerian, that he has been a scholar and earned a degree in this country at the University of the West Indies.

As a matter of fact, it took Mr. Tood the same twelve years to earn a degree that it takes everybody three or four. He has the very misfortune of coming last in every thing that he is in. He should only come last in the City race, because that is his history.

15.50 p.m.

Sequence 29

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House 124, sequence 30, 3.50 p.m.

Asides.

Hon. Ms. H.E. THOMPSON: My point is that Mr. Todd comes last, in whatever he does. The Democratic Labour Party nominated him last, and he will finish last in the political race, whether or not anything is fixed up around Kensington Oval.

Asides.

Hon. Ms. H.E. THOMPSON: I agree, he was the first to enter the race and he will be the last at the polls. The first shall be last, according to biblical sayings.

Mr. DEPUTY SPEAKER: The Honourable Member has one more minute.

Hon. Ms. H.E. THOMPSON: Thank you, Sir.

Mr. Deputy Speaker, what Mr. Bostic has brought, is those particular skills to the coordination of this project. It is not any assault on democracy, as is being put out.

Finally, Sir, Mr. Bostic is not in control of any funds, that is another mischief that is being deliberately put out to fool the public of Barbados. The funds are under the control of a permanent secretary. Mr. Bostic is coordinating activities. He is involved at the level of logistics. He is not giving out money to anybody. He is not signing off on anything that says, you get \$20 000 and others get \$5 000. That is not how it works. It is a project about refurbishment, and assessment is done. Mr. Bostic then ensures that the persons form the community and the

contractors, who are given the jobs, do the work for which they have been contracted. He is not controlling or dispensing funds.

I wish him every luck in the City, and I have no doubt that he will have a larger majority than the present Honourable Member for the City.

What we want, Mr. Deputy Speaker, is for the Democratic Labour Party to concede that they are not anti-establishment, but they are anti-poor-people and, therefore, must find a reason to attack everything that we do to elevate the circumstances of poor people in this country.

I give my support to this Catastrophe Fund, as a necessary social safety net for people in Barbados. Equally, I give my support to Jeffrey Bostic, who is not doing anything that offends the principles of democracy, but is helping Government to execute a policy, which will not cause Barbados to be projected in a bad light, in the international media. I am happy for all the persons in the City, the very narrow area around Kensington Oval, who are benefitting from that particular project.

Thank you, Sir.

Asides.

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

Hon. A.P. WOOD: Mr. Deputy Speaker, I rise to make an intervention in this debate, which has gone reasonably well so far. I give my unqualified support to this measure.

Mr. Deputy Speaker, the last speaker and indeed the Honourable Member for St. Michael East, really hit the nail on the head in regard to one or two of the major points I wanted to make in this debate. There are many other points to be made, which I will proceed to make.

I said on numerous occasions that one of the things that distinguishes this current Barbados Labour Party from the previous Democratic Labour Party - notwithstanding the improved macro-economic circumstances - is the attention it is paying to the less fortunate and the more vulnerable in our society.

The Honourable Member for St. James South is correct that the Democratic Labour Party, time and again, when they are called upon to respond to initiatives undertaken by the Barbados Labour Party, which are directed at the poor sections of Barbadian society, they found it fit, each time to respond in a very critical way. This seems to suggest that they are no longer keen on upholding the traditions and teachings of the Democratic

Labour Party, under the leadership of the late Rt. Excellent Errol Walton Barrow. I am going to give you numerous instances in which this has happened.

Mr. Deputy Speaker, this instrument here comes as one in a series of initiatives undertaken by this administration. Sir, I would never forget the time that the statement was made, after the Prime Minister, the Rt. Honourable Member for St. Peter at the time of the by-election in St. Michael North West, which was won by the sitting Member of St. Michael North West, who is happily over on this side now, when the Prime Minister said that this Barbados Labour Party will unleash a series of initiatives, in order to deal with poverty, in a systematic and structured way.

Shortly after, recognising the bureaucratic inertia within the social services agencies, which was preventing the fast delivery of services to those who wanted them most, he put on fast track, the delivery of services to the poor persons in Barbados, and we saw the establishment of the Rural Development Commission and the establishment of the Urban Development Commission and the Democratic Labour Party criticised them, too.

The Democratic Labour Party came into this Parliament time and again, and had a lot of negative and unsavoury things to say about the establishment of the Rural Development Commission and the Urban Development Commission. Sir, those initiatives had one expressed purpose, that is to get the services and the benefits and the help to the poor people in Barbados at a faster pace. The Democratic Labour Party disapproved of that too. As a matter of fact, they said given the opportunity, they would turn back the hands of time and they would disband those institutions.

Mr. Deputy Speaker, one of the things that I am convinced that this Barbados Labour Party will hold true to eternity, is that through enlightened social programmes, we will continue to reach out and uplift, those who are less fortunate in this society, because one of the indicators of a caring and very successful Government, is how it responds to those who are the most vulnerable in the societies.

The Barbados Labour Party had to deal with challenging times since 1994, but we have responded time and again, holding true to our philosophy and the commitment that we have given the people in this country, that we will continue to look after the most vulnerable.

Mr. Deputy Speaker, there were also challenging times between 1991 and 1994 and since 1994. One of the things that this Barbados Labour Party did, holding firm and fast to the mandate we gave to the Barbadians, was that we would not, in anyway, undermine the delivery of programmes to the less fortunate in our society.

Sir, that is to be compared to what happened between 1991 and 1994, when there were cuts left, right and centre. Poor people got poorer, and not so poor people became poor, until we were able to come and rescue the Barbadians from that reign of terror, which was unleashed by the Democratic Labour Party administration at the time.

House 124, sequence 30, 16:00:14

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Hon. A. P. WOOD: Sir, it does not surprise me that Honourable Members on the other side would get up and walk out when the truth is being told. It does not surprise me that the Honourable Member for St. Philip West got up in here and was very strong in the view that this should be left to the private sector, that the private insurance companies should be encouraged to do this. Mr. Deputy Speaker, all we are doing is recognising the reality of the situation.

Mr. Deputy Speaker, the Honourable Member for St. Michael North West took an hour to introduce this instrument, and he did a wonderful job of it. However, it seems to me that the Honourable Members on the other side were not listening. The Honourable Member for St. Michael North West indicated to us that there are 33 000 wood and wall houses in Barbados and that only 25 per cent of those 33 000 houses are insured.

Mr. Deputy Speaker, before an Honourable Member gets up in here to criticise the establishment of a Catastrophe Fund, one of the things he should have done was to ask the question, if there are 33 000 wood and wall houses in Barbados and only 25 per cent of them are insured, why is it that the other 75 per cent of those 33 000 houses are not insured. Second, he should have asked if the conditions would ever exist that the private sector would provide insurance coverage for 75 per cent of those 33 000 wood and wall houses.

Mr. Deputy Speaker, any Honourable Member on the other side who is worthy of responding to such an adequate delivery by the Honourable Member for St. Michael North West, should ask himself, why is it that 75 per cent of 33 000 wood and wall houses in Barbados, presumably under the value of \$125 000 remain uninsured.

Mr. Deputy Speaker, the majority of us in this Chamber understand what it means when we say the functioning of markets and markets failure, et cetera, and why it is that a caring Government would have to intervene in circumstances where there will be market failure. Sir, in these circumstances, there will be market failure in the provision of houses to low income people. That would always be the case.

Mr. Deputy Speaker, if you want to help people in times of need, because we cannot sit here and predict when a catastrophe would come, what a caring Government could do is to put its house in order to ensure that when a catastrophe comes, and recognising that there would always be market failure in the provision of these housing insurance for that bracket of persons, it would be able to intervene and help them.

Mr. Deputy Speaker, try as hard as you may, you could use moral suasion, and no Government would be able to provide enough incentives, as the Honourable Member for St. Philip West is seeking to suggest, to any private insurance company in order to allow them to provide 100 per cent coverage for houses that this instrument is going to be dealing with. The reality is such, Mr. Deputy Speaker, that the conditions of some of the houses in this bracket will never ever attract the serious attention of insurance companies.

Mr. Deputy Speaker, let me give you one or two examples. Mr. Deputy Speaker, do you know what the insurance charge would be like to take on the risk of insuring wooden homes in the city and elsewhere that are so close to each other. Mr. Deputy Speaker, if you doubt me, you could go and search through the files of every insurance company in Barbados.

Mr. Deputy Speaker, I want you to go up to Halls Road, to go down to Baxters Road and the other streets down there in New Orleans - which the other side is making so much fuss about because people are getting help - to go to Cats Castle, to go up to Kirton's No.3 on Mr. Rice's estates and up to Nursery No. 2 on Mr. Marshall's and Mr. King's estates and tell me if any one of those houses are insured, and if any one of those houses would ever be insured.

Mr. Deputy Speaker, they are saying that a Government does not have a responsibility, in glaring circumstances where the market would never be willing to underwrite that kind of risk, and even if they were interested, do you know what would be the cost of it, to help those same people who would not be able to pay for insurance.

Mr. Deputy Speaker, you have Honourable Members who were sent in here through the same means as I, getting up in here seeking to give the impression that something should be done, when in truth and in fact it is a virtual impossibility. Mr. Deputy Speaker, this tells me that either the individual is not really aware of what he is talking, so he is getting into things that really should not be of concern to him, or that if he knows, he is being deceitful. Mr. Deputy Speaker, he is not telling the truth.

Mr. DEPUTY SPEAKER: Could you withdraw that, please.

Hon. A. P. WOOD: Mr. Deputy Speaker, I withdraw it, he is a stranger to the truth.

Asides.

Mr. D. St.E. KELLMAN: On a point of order. That is the same thing and you know the Standing Orders, Sir.

Hon. A. P. WOOD: Mr. Deputy Speaker, it should not surprise me because that has been a constant response and a trait of the Democratic Labour Party. As the Honourable Member for St. James South said, every time we come to this House with a measure, a policy or a programme which targets that particular group of Barbadians that we have been so very careful to address their needs, it is met with stout resistance by the Democratic Labour Party.

Mr. Deputy Speaker, it confuses me up to this day how could a set of people who function as politicians find it within themselves to constantly criticise moves which are being made to allow for the social upliftment of the less fortunate in society. That is what it boils down to.

Mr. Deputy Speaker, it does not surprise me because the Honourable Member for St. Philip West is on record as saying that he is not a welfare officer, so persons in St. Philip West cannot bring certain issues to him. He said that he is not a welfare officer, he does not deal what those sort of cases and that his office is not a point of collection of information on the social and economic plight of persons in St. Philip West. He said not to bring that to him, to carry it somewhere else. Mr. Deputy Speaker, he is coming in here and criticising this and saying that the work should be done by the private insurance companies. Sir, that is consistent with an Honourable Member who has the view that he should not function as a welfare officer.

Mr. Deputy Speaker, I function as a welfare officer and I support this measure 100 per cent and all the other things that my constituents in St. Philip South want so that their social circumstances could be improved. I am prepared to continue to function as a welfare officer so that the information could come from them through my office, whether it is through the Ministry or the one in Crane, so that I can channel it to the relevant Government agencies so that they can get some help. That is why they sent me in here and I will hold fast to my responsibility in that regard. Mr. Deputy Speaker, we will continue to put the mechanisms in place through which help can be accessed.

House 124 Sequence 31

4.10 p.m.

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Hon. A. P. WOOD: Mr. Deputy Speaker, I am going to support the Government in the establishment of a Catastrophe Fund. Sir, anybody from the other side, who wants the private insurance companies to take on this, in circumstances where there would always be market failure, or in circumstances where the rate would be so extravagant that the same vulnerable class would not be able to pay, they could do that. Sir, they would be judged, in the fullness of time, based on their beliefs and their statements.

Mr. Deputy Speaker, the Honourable Member for St. Philip West also sought to suggest, on numerous occasions, that this Catastrophe Fund should also kick in, if there is danger to the survival of Barbados...

Dr. D. C. ESTWICK: On a point of elucidation. Sir, the Honourable Member seems not to have heard me well-enough or his capacity to interpret language is somewhat lacking. I made the point, if there were threats to the economic stability of the country, that a catastrophe must, by definition, mean something of such a sinister execution that it impacts fundamentally on all aspects of the survival of the people in that country.

Mr. Deputy Speaker, that is a fundamentally different statement from what is being said by the Honourable Member. It must be catastrophic in nature.

Mr. DEPUTY SPEAKER: Proceed, Honourable Member.

Hon. A. P. WOOD: Mr. Deputy Speaker, I would expect such a response from any Honourable Member in this Chamber, who has a difficulty with poor people getting help. That is to be expected.

Mr. Deputy Speaker, the reality of it is that the purpose of this Fund was clearly outlined. All we are saying is that there is a vulnerable group. We have identified that group, based on its earning capacity and based on the type of structures that group owns. Sir, we say in cases of catastrophes, and we identified those particular events which fall into that category, that persons falling into this particular grouping, would be able to access some kind of help, in times of emergencies.

Mr. Deputy Speaker, I do not know if the Honourable Member for St. Philip West is so incapable of distinguishing between what is intended here and what he is talking about, which would have the State responding in circumstances where there is something of a massive scale, that is, the impact of the catastrophe is such a massive scale. All we are saying is that in cases where those persons are less likely to have their houses insured, that the State will respond, through this Fund, to help them.

Mr. Deputy Speaker, the idea of this Catastrophe Fund is placed in a particular context. We are not talking about responding to meet all types of social and economic needs of an economy, which would have been met by a major catastrophe, we are dealing with wooden structures. Therefore, the idea that a catastrophe cannot be defined within a particular context is as foreign and is as foolish as a non-right-thinking person would want this Chamber to believe. We are speaking about replacement or providing help in cases of emergencies, to persons whose structures have been affected. Therefore, for the Honourable Member to get up and to say that a catastrophe could only be defined in the context of destruction on a national scale, would be such a ridiculous intervention. Sir, catastrophe is defined in a particular context.

Asides.

Hon. A. P. WOOD: Mr. Deputy Speaker, the Honourable Member, in his true style, that is talking before he thinks... Sir, when persons have nothing of meaning or of substance to say, it is better that they should keep their mouths shut. We come here to engage in a serious debate. Sir, do you know what is his concern? The Honourable Member's concern is that the Honourable Member for St. Michael North West, who is the architect of this piece of instrument, did not tell him at what level of damage, in the event of a catastrophe, would persons be able to access such funding. Mr. Deputy Speaker, we have a committee established, which is supposed to make a determination on these things but, Sir, as is consistent with a man, who has a very simplistic mind, one of his concerns is the level of damage to be identified or known before the Fund can kick in.

Mr. Deputy Speaker, do you know what the Honourable Member might be insinuating? We have said that the upper band for the structure is \$125 000. We have also said that the upper band for accessing this fund is \$22 500 a year, so we know the category in which persons will be eligible for accessing these funds. Sir, that is all we need to do, the Committee will then make a determine as to the actual operating criteria for determining who, within that bracket would get, and how much would they get. Sir, the operation of this fund is going to be very tightly done.

Sir, the Opposition Party has construed something as being sinister in this legislation because they are so intent on persons not getting any benefit, that they would want certain persons not to benefit, even though we have identified the bracket from which persons can come.

Mr. Deputy Speaker, I would want to say that Barbadians are not as mendicant as the Opposition Party would want people to believe, even though there might have been some sort of catastrophe, be it a fire, minor or serious bad weather, I am certain that Barbadians are still

full of pride and that if, in order to restore themselves, it might require them accessing small amounts of funds to effect any repairs to their houses, they would refuse to do that. I am sure that instead, they would try to effect the cost of repairs themselves, if it is not costly for them to do so. On the other hand, the cases that would come to the Fund, would be cases of genuine need, where the amount required to restore those houses close to their original position, would be such that those funds cannot be easily accessed. That is what this fund is here to do.

Mr. Deputy Speaker, I sat here and listened to the Honourable Member for St. John, telling us a lot about himself. The Honourable Member stood here and paraded that this is something with which he was grappling for sometime, while being Minister of Welfare.

4.20 p.m.

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(EDITED)

Hon. A.P. WOOD: This is something they have been grappling with over the years. He also told me in that statement that he has the inability and is also lacking in the knowledge to bring things of this type to conclusion so, he has grappled with these things for all these years and he feels happy telling Barbadians that he has been grappling with these things for all these years and that he cannot bring it to conclusion. I do not know if it is something to be proud of. Mr. Deputy Speaker, if he is proud of that, it says something about him.

Sir, there are other things he has been grappling with for a number of years that he has not brought to conclusion either besides decimating people and destroying their character. That is what he has brought to conclusion and that is why so many of them have sought refuge over here but things that are of significant benefit to poor people in Barbados, he cannot bring to conclusion but when we bring them to conclusion and the Honourable Member for St. Michael North West comes in here and eloquently presents them....

Mr. D. St.E. KELLMAN: Mr. Speaker, on a point of order. The Honourable Member is misleading the House by giving the impression that we have refugees in this House.

MR. DEPUTY SPEAKER: Honourable Member, proceed. You have one more minute.

Hon. A.P. WOOD: Mr. Deputy Speaker, the Honourable Member for St. John has notified us in here that this is a measure that he has been grappling with for a number of years. I am saying that he has given us just praise in that statement because he found difficulty

bringing it to conclusion, we have brought it to conclusion and the Honourable Member for St. Michael North West has present something eloquently, taking 60 minutes and the only thing in of note in the response of the Honourable Member for St. John, is that it was something that they have been grappling with for the last few years and that they have been unable to bring it to conclusion and that they thank us for bringing it to conclusion. Sir, at least in his statement, he is implicitly showering praise and giving thanks to the Barbados Labour Party and the Honourable Member for St. Michael North West.

Mr. Deputy Speaker, I have sought to fortify the position of the Barbados Labour Party in matters of this type. I may have delivered in a very passionate way because I feel very strongly about things of this type and any programme that is of a social engineering type, any social programme that is directed at the more vulnerable and the less well-off in our society. I join with the Honourable Member for St. Michael East and all Honourable Members on this side in giving my full and wholehearted support to such programme.

Mr. Deputy Speaker, I have come to this House, sprung from poverty and I know what it is because I go there every day, I still live around them and I know that this Government has done a lot for upliftment of the less fortunate in this society and this measure goes a long way and keep us on that road through which there will be social upliftment for the less fortunate in Barbados.

Mr. Deputy Speaker, I am obliged to you.

MR. DEPUTY SPEAKER: the Honourable Member for St. Thomas.

Miss. C. Y. FORDE: Mr. Deputy Speaker, I really could not let this opportunity go by unless I added by five cents worth to this discussion. Sir, Honourable Members on this side have spoken directly to the issue because they understand what it is like for poor people in Barbados to suffer. Therefore, I add my voice to the call here for this legislation today.

Mr. Deputy Speaker, we pledged in the Manifesto again in 2003, that we would look after urban renewal and after the needs of all Barbadians. Mr. Deputy Speaker, I want to quote from page 45 of this document, the Manifesto of 2003 to 2008. I want to refer to urban renewal, where the Barbados Labour Party will transform communities such as Cat's Castle, Greenfields, Nelson Street, the Barracks and so many other communities.

Mr. Deputy Speaker, this not the first time because since 1999, we have been making consistent efforts as a Barbados Labour Party Government to ensure that the poor people among us are recognised and that they are

empowered to be able to continue to live with dignity. Sir, I think that is most significant.

Mr. Deputy Speaker, this legislation with the Catastrophe Fund is geared towards looking after the vulnerable in our society, who, without a caring Government would end up living in slums. Sir, in essence, that is the case.

Therefore, Mr. Deputy Speaker, we are looking at the aged in our society, at the disabled, the poor; poor women with children because they are the ones who often suffer at the hands at many other where some of them have to solicit sex and go through the worst conditions to be able to maintain their families.

Mr. Deputy Speaker, I hate to read the newspaper and see women knocking all around the road with children and have no where to live because their houses have collapse, they have burnt, for whatever reason their families have turn them out and, therefore, this piece of legislation should help those people, who become disenfranchised because of house fires and the various catastrophes.

Mr. Deputy Speaker, the renewal that we are talking about refers to what has taken place and is continuing in areas such as Church Village, where we have seen massive structures sprung up but there is stark poverty all around. We are working to ensure that we stamp out that type of impoverished environment and so, we have the Neighbourhood Upgrade Programme, where families from the Garden Land, Cats Castle and, thank God, families from Allen View, will get an opportunity for their properties to be upgraded, that they can be enhanced in such a way that they can continue to live with dignity.

Mr. Deputy Speaker, they do not want to beg and they are not looking for handouts. Sir, most of them want to be able to have their properties improved without people pointing a finger. Sir, gone are the days, when politicians would come around and give lumber and other materials, two days before elections and go back and take it up when they lose. Sir, that happened in St. Thomas in the 1970s.

Mr. Deputy Speaker, this Government will not be a part of that. We are not going to hold people out on a limb. We are not going to hold them like a carrot to the donkey for them to bite at it and then pull away our hands when they go to bite. We are offering this to ensure that people live a quality live with dignity and owe nobody anything. Therefore, I strongly support this particular exercise here today.

Mr. Deputy Speaker, the poverty alleviation continues, where the Rural Development Commission continues to do excellent work, in rural communities in

Barbados. A lot of that is because we visit people, we see their condition and empathise with them but that is not all. We need to go and give this kind of assistance and that is what this Government is doing. This Government is ensuring that when pockets of poverty are identified that systems are put in place to alleviate those problems.

Mr. Deputy Speaker, I read in the newspapers some time last week about a tsunami some time in 1700 or 1800 in Barbados. I know of Hurricane Janet but I was a small child then but I learnt of the devastation that took place. Sir, a lot of that devastation came as a result of the poor condition of housing in that time.

Mr. Deputy Speaker, more recently in 1970, I was on the road and I got doused with the rain trying to get to my job to look after poor people's children when that flood took place. Sir, we know of the devastation in Hall's Road, Queen's Park and other communities that were flooded. We know of the loss of life and we know of the people in St. Andrew, all through Cane Garden and all through Belleplaine, whose houses were washed away but, thank God, there was limited loss of life in those areas.

Mr. Deputy Speaker, as a result of that, many of the houses or what remained of them or those who had no houses at all were relocated to Bagatelle, St. Thomas to give people another lease on life that they could enjoy it with their family in a measure of comfort.

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Hon. Miss C.Y. FORDE: Mr. Deputy Speaker, that is not all. They were people who were relocated from communities to Lammings, St. Joseph + because there is always instability in Chalky Mount, Airy Hill, Chapmans Village, Spring Vale and many other communities.

In recent time we know of the folk in White Hill, where many of my family live. That is where my father lived and was raised. Therefore, I know of the suffering of the people from White Hill, most of whom were relocated to Farmers, St. Thomas.

Sir, the land slippage is tremendous in those communities, therefore, that is what I would call a catastrophe, when the rain falls for three or four days and foundations become unstable, and people are afraid that they might lose their lives when the houses collapse and falls into the gullies.

Sir, Honourable Members without those situations in their constituencies may not be fully aware, but

Honourable Members of Parliament, have to walk the length and breadth of communities offering assistance. Sir, I will not go over the issue where some Honourable Members of Parliament have people living in their constituency offices, because there is nowhere else to go. We know of the situation, but we want to be able to give them more comfort than that. We do not want them to be sitting and waiting for persons to help them.

Mr. Deputy Speaker, the wind, about three weeks ago, destroyed houses in Christ Church and other adjoining communities. Those families may not have had insurance, but they are suffering and need help. I can come close to home again, because St. Thomas is what I know and where I will remain connected.

Sir, during Hurricanes Lily and Ivan, more than twenty-five families', house tops were blown off. Granted, the agencies came to the assistance of those people, they are still some of them who are living in squalor today. Therefore, I would have to speak on their behalf and welcome this kind of legislation, because that would help to put them in a better position, to be able to live a good quality life again.

Sir, as I stand here, there are three families in Jackson, St. Michael, whose properties were burnt one time, three houses burnt flat, in July 2006. They are still dislocated. Those are the kinds of issues that we are referring to in this particular piece of legislation. There are poor people who cannot pay insurance for their properties, and there are times when the properties are so ramshackled, I am not saying that in any disrespectful way, but that is the real situation, that they cannot have any insurance policy.

Sir, even the Prime Minister in Grenada, his house was damaged year before last, when they had that terrible hurricane. We know internationally what happened to the people in Indonesia, when the tsunami struck. We see situations of flooding in India, Brazil and other countries, so we know what it is like. Therefore, this Government is bold enough to say that we are starting a fund with \$2.5 million, that will extend over a five-year period, and we are also going to ask the tax payers of Barbados to contribute towards it.

Mr. Deputy Speaker, when you look at it, if you are referring to persons working for \$1 200 a month, and they are expected to pay \$1.20 per month, if you break it down per week, you are talking possibly thirty cents. A pack of corn curls cost more than that, Sir.

I know that Barbadians would want to support their fellow men, because when we do not look after the issues of the poor, and we have a society of haves on one side and have nots on the other, there will be social unrest. Therefore, I know that the public of Barbados will - and I

am going to encourage them - to lend support to this particular cause, because it would help with the upliftment of all Barbadians.

Sir, when there is social unrest, there is going to be looting, homelessness, people would no longer be able to lie down in their own little places, and crime and violence will escalate. Therefore, it will lead generally to emotional stress.

Mr. Deputy Speaker, there would be physical dislocation, economic challenges and mental confusion. I would want for Honourable Members on all sides of this Honourable House, and members of the public to buy into this particular project, and let us continue to bind together.

Sir, were it not for caring Barbadians in the 1950s and 1980s, when we had those two devastating aspects of destruction, it would have meant that a lot of people would still be left in squalor. We, overnight, got carpenters, we still call them storm carpenters, persons who devoted time and energy in a voluntary way, to ensure that roofs and windows were replaced. Other agencies came on board to assist persons in the 1950s. We need to get back to serving and helping others, and pooling our resources, so that at the end of the day everyone feels comfortable.

I know that upward social mobility has played an important part, therefore many of us in Barbados have climbed that ladder, but we still have parents who live in communities where there is stark poverty. Many of our fore parents are still alive, our grandparents, great grandparents and our great-uncles, are living in chattel houses. I too can identify with chattel house development.

Sir, we had a front house, a shedroof and a kitchen with a fire hearth in the back, and a paling around the house. That was the plight of thousands of Barbadians in those days. There are still villages where people exist under those conditions, and cannot get the insurance.

I want to encourage Barbadians to do what our fore parents did. For those who are working, put aside something for a rainy day. They supplemented their incomes by frying some fish cakes, doing other things that would help them to raise money. For those who cannot, I do not expect the impossible. Therefore, the Government is expected to help them, in their time of need.

I built a chattel, and it is one of the most comfortable houses any one could want to be in. I would go back to that chattel house if I had owned the spot. Therefore, I have absolutely no problem with identifying with those who live in chattel houses and done that, according to what the young people say.

Mr. Deputy Speaker, I want to encourage my people to be more patriotic. I want to encourage them to be as industrious as can be. I want them to remember that they can help themselves. Self-help is extremely important. All of them cannot, but most of them can. Therefore, I welcome the programme by the Social Welfare Department the Welfare to Work Programme. That will help to empower some of our people. All of them do not want handouts. Many of them want to work. They want to be empowered. They do not want to wait on any politician. They do not want to wait on the Priest. They do not want to wait on their parents. They want to have their own. Therefore, I will encourage all of them to go out and try to improve their lot. Take advantage of the Continuing Education Classes when you can. Be a part of Project Oasis that is offering numerous programmes to help to empower Barbadians.

Sir, there are business houses who want people to work. It might not be the kind of work young people and others may want, but you have to start somewhere. I started working at Woolworth, and I have become one of the proudest people in Barbados. As a result of the experience, I can tell young people to hold on to what becomes available, and then climb from there to the one that you were trained to work in.

Sir, I want to encourage my people to lend support to this Bill. When my mother insured her little chattel house, with so many children, there was a logo out of metal that was placed on the outside of all the houses in the village. People were proud to know that they had their own little house. The ownership was there and they could insure it. If that cannot happen now because of changes in the environment, I am glad that a Government will come to the fore to assist in this respect.

16.40 p.m.

Sequence 34

Tuesday, February 13, 2007

House 124, sequence 35, 5.40 p.m.

Hon. Miss C.Y. FORDE: I am happy for the people of the City, Mr. Deputy Speaker, who are currently having their palings upgraded, their windows changed, their roof repaired and the houses painted, because we have to make them understand that they are important, too.

It is not only that we can go to them to ask them for a vote but we have to live to the contracts that we have made with them. It is not about coming out and asking them to support us in a manifesto, and to pledge that we would work for them, and as soon as we win the seats we forget the persons who have put us there and the mandate

that we have given. Therefore, this urban renewal, and the whole set of works with the rural development programme, I have every happy relationship with ensuring that the people of Barbados get the best for their money and whatever the taxpayers are paying.

Sir, we are welcoming a culture of squatting, and that bothers me because this legislation speaks to houses that are valued to a maximum of \$125 000, and that the must be owner-occupied. Honourable Members spoke about other persons in the households who may be working but, of course, the situation is still very vulnerable.

I know that squatting is not a part of the culture of Barbadians but I recognise, day by day, that people are setting up little houses all over the landscape of Barbados, without permission, and creating all kinds of problems in our water zones and in the water courses.

Mr. Deputy Speaker, I am happy that this special committee would not be made up of politicians. Sir, people come to politicians about everything, but as soon as it is something people feel that a politician would get 'a little up' with, they are the ones who criticise and tear down politicians, when things do not go their way.

I am happy that this Committee has been identified, renowned men and women, who will oversee the various transactions to ensure that people get the best for their money and that poor Barbadians, who come under the whole ambit of a catastrophe, will get the benefits that they deserve.

Mr. Deputy Speaker, I do not want anyone to be squatting, or not to have had a house of any quality, to come forward and say that their house was worth \$135 000. There are persons who live in a one-room plywood concoction, and that is why I want proper pre-registration to take place, so that those persons whose houses may be damaged, at least there was a figure that showed the house was worth \$75 000 or \$50 000, and would not ask for \$125 000, when we know that was not the case. I am just trying to make sure that those who deserve the benefits, get what is due to them, and that nobody is left out of the loop.

Mr. Deputy Speaker, I also want to say that I am happy to know that the various social welfare agencies, will continue to play their part, such as Poverty Alleviation, the Rural Development Commission, the Urban Development Commission, the Ministry of Public Works and Transport, the National Housing Corporation, the Scotland District, CERO and all the other agencies that have been on board before, will continue. This is to ensure that individuals whose house may cost more than \$125 000, do not feel they are left out. Sir, they too, will get the benefits that are due.

I know that there are certain institutions set up where persons can get financial assistance, to be able to help them to get themselves sorted out. I encourage Barbadians who can, to have insurance policies taken out, so that they can pay their premiums, so that whenever the disaster strikes, they do not have to be left homeless, or to be on the road at the mercies of anyone. Mr. Deputy Speaker, it is incumbent on all right-thinking Barbadians to pursue that route of getting their properties insured.

I believe, Sir, that any series of public education programmes would help in this exercise. We do not want to talk here in Parliament or the newspaper to carry a synopsis of things, but still it is not driven home in the way that Barbadians can better understand. The public education is about letting them know more about burning lamps and candles, with curtains blowing all around them.

I think it is unfortunate that the old gentleman in St. George lost his life only last week. Perhaps, there was nobody to supervise him, or his lamp. Whatever the situation is, I do not want to speculate but, I believe, that public education is pertinent for Barbadians to be able to better understand what we are all talking about here today, the efforts we are trying to make to ensure that whenever there are catastrophes, Barbadians get the best benefits and they are put back on an even keel with their lives, to be able to move to the next level.

Therefore, I would support any situation, Mr. Deputy Speaker, where public education is being offered to people, so that they know what this whole Catastrophe Fund is about and how to look after themselves, when it comes to safety in the home or wherever they are, as well as working towards an insurance policy.

I like the idea, Mr. Deputy Speaker, of communication with insurance companies. I heard what the Honourable Member for St. James South said earlier, when the whole idea of the chattel house programme came up...I know there are some insurance companies that will give members the opportunity to pay off for their housing insurance, over a five-month period.

I know that there are people with good intentions that would like to pay the \$800 or \$500 for their chattel houses but, unfortunately, they do not have it in a lump sum. Therefore, any insurance company with a caring heart would come on board and give them an opportunity to be able to pay in incremental amounts, towards the insurance for their houses, to ensure that they do not lose everything that they have worked an entire lifetime for, in one fell swoop, whether it is the wind, the rain or any other natural or man-made disaster.

I know, Mr. Deputy Speaker, that persons will be asking about house fires. Many house fires happen, as a

result of accidents. I believe that with the aspect of arson, the Committee would make the necessary checks. Sir, a person who loses a house because of arson, somebody coming and lighting the fire because a boyfriend and a girlfriend disagreed, the court will look after that, but the Committee would still have a special arrangement so that the family, who would have lost a property through no fault of their own, would still have a shelter over their heads.

Mr. Deputy Speaker, it is the policy of this Government to ensure that Barbadians get a better quality life. It is no 'mock sport' situation. Cosmetics are not being put on, that one would want to suggest that to come here today with this, is a political strategy to win votes. We have won the votes already, Mr. Deputy Speaker, and I believe that with our performance over the last four years, we will win the votes again, because people are at the heart of whatever we do.

I always like to refer to the motto of the Barbados Labour Party that says: "A better life for our people." We believe that this Manifesto is a social contract with the people of Barbados, and make every opportunity to ensure that Barbadians get the piece of the cake that is deserving for them. We must continue to pursue our goals in this document, so that every Barbadian becomes a winner at the end of the day.

Therefore, I commend what is happening with World Cup and what is happening on the Harbour Road, which we used to call, "Rotten Town." Mr. Deputy Speaker, that whole face of the Harbour Road has changed over years, because of opportunities offered to Barbadians to be able to uplift themselves.

Mr. Deputy Speaker, I have people in communities across St. Thomas whom, I know, will benefit. When I look at Mount Hillaby, Carringtons Village, Chapman Village and other communities where there is slippage, I know that if there is any catastrophe, God forbid, those people would be seriously impacted upon. Therefore, I want to commend this piece of legislation to this Honourable Chamber.

House 124, sequence 35, 16:50:14

Tuesday, February 13, 2007

Hon. Miss C. Y. FORDE: I want to solicit the support of all Barbadians because in only one day many of us could become homeless. Some of us are of the opinion that because we have our big two-storey houses that hardly anything would happen to us. Mr. Deputy Speaker, sad to say, because of this, we are separating ourselves into gated communities and forgetting the others.

Mr. Deputy Speaker, I do not want any catastrophe to take place, but if one should happen, I would want all of us to come together because just one swish of high winds could take down a three-storey building or a little ramshackle house and could leave the little chattel next door up standing.

Mr. Deputy Speaker, at the end of the day, all Barbadians may be impacted upon whenever there is a catastrophe and therefore I believe that we should lend our support to this piece of legislation because at the end of the day, we are the ones who would benefit by better living conditions, as this would help to eliminate some of the squalor that we see daily that we do not have enough personal money to help. This project would help to ease that kind of dissatisfaction that we now witness as we move around to our churches and the various communities across the island.

I strongly lend my support to this, and I look forward, Mr. Deputy Speaker, to when people will benefit. I am not asking for a catastrophe, I would want to be the last, because I have witnessed Hurricane David and some others, which I really felt would have devastated our country, but thank God they did not.

Mr. Deputy Speaker, if anything should happen at all, I would want our people to get the best benefits they deserve because they are taxpayers and they are Barbadians who want to hold their dignity intact. We must not let any opportunity ever come where we make people feel so demeaned and so run down to the ground that even to offer them that help, they would feel that they have to be committed. This is not the case at all. It is across the board for every living human being in this country so that they can be uplifted and be given the opportunity for proper empowerment.

I wish to thank you, Mr. Deputy Speaker.

Mr. G. W. PAYNE: Mr. Deputy Speaker, we on this side will support any measure for the upliftment of poor people. Mr. Deputy Speaker, I do have my concerns about certain aspects of this legislation, but all in all, the fundamental points in this Bill point to the upliftment of poor people in Barbados. Therefore, I wholeheartedly support the provisions of this measure.

Mr. Deputy Speaker, as I said, I have some concerns. I believe that the Ministry of Housing and Lands would be able to tell this House the position with respect to the existing policy of Government as it relates to persons who have been affected by national disasters. I would hope, Mr. Deputy Speaker, that these measures are not substitutes for existing Government policy as it relates to persons who have been affected by the ravages of nature. I would hope that the type of excuses, which in recent times have been

given to persons who have been affected by land slippage in St. Joseph and St. Andrew, would not now be transferred to these measures by certain functionaries in Government indicating that there is not enough funds to deal with the effects of these disasters.

I say this, Mr. Deputy Speaker, because in recent years there have been problems with persons who have been affected by land slippage in the Scotland District, and it would appear as though there has been a suspension of that policy. It is a policy which dates back to the Democratic Labour Party times. I would not like to say that I wonder whether or not this particular measure could not have been handled administratively without the need of this legislation because I believe that within that existing policy, there was room for some mechanism to be established, whereby the funding for these particular cases could have been undertaken. Mr. Deputy Speaker, I am worried because I have had a series of meetings with the Minister of Housing and Lands, with the Attorney-General and with the National Housing Corporation, dealing with this same issue.

Mr. Deputy Speaker, notwithstanding the fact that this measure comes out of a promise which was made in our previous budgetary proposals, I would like to think that as a result of those discussions this has been brought forward. Mr. Deputy Speaker, I would deal with that a little later. Mr. Deputy Speaker, it has not gone far enough.

Mr. Deputy Speaker, I want to deal with a few specific areas. Mr. Deputy Speaker, I have my concerns because the legislation does not address the type of problems that I have been grappling with within the Ministry in my discussions with the Minister of Housing and Lands and with the Attorney-General. Mr. Deputy Speaker, even the definition, you would have thought that the areas in the Scotland District, which were the areas that were most seriously affected...

It is true, Mr. Deputy Speaker, that in the definition, a catastrophe includes among other things any other catastrophe caused by the forces of nature. In the definition, you would notice that we have items like fires, earthquakes, storms, hurricanes, flooding and lightning, but, Mr. Deputy Speaker, everybody, who has spoken so far, spoke about the land slippage in White Hill.

Mr. Deputy Speaker, I am a little suspicious, and I will go back to a speech which the former Honourable Member of St. Joseph used to give in this House very often. It was one speech but he used to speak about two 'Barbadoses'. Sir, I refer to Sir Richard Cheltenham, who spoke very eloquently of the division of Barbados to two 'Barbadoses'.

Sir, I am a little suspicious because I am wondering whether or not taking into consideration that whenever there is a fire within urban Barbados, within two days you could see the parliamentary representative for the particular area on television or in the newspapers indicating that the matter has been resolved.

Mr. Deputy Speaker, I speak also for the Honourable Member for St. Lucy. Sir, when it happens in rural Barbados, sometimes months pass and you do not see a fellow from any of those functionaries in Government, notwithstanding all the pleas of the parliamentary representative. Therefore, when I see legislation like this, I have to be suspicious.

Mr. Deputy Speaker, I welcome the legislation. It is legislation for the upliftment of poor people, but in view of some of the shortcomings and some of the omissions in the legislation, I will continue to be suspicious.

Mr. Deputy Speaker, we have areas in White Hill, Hillaby and Chalky Mount... Some of the Honourable Members spoke as though they are the parliamentary representatives for these areas. You hear them speak with authority on areas within my constituency, but they have never visited those areas.

House 124 Sequence 36

5.00 p.m.

Tuesday, February 13, 2007

Mr. G. W. PAYNE: Mr. Deputy Speaker, as my very good friend, the Honourable Member for St. George South would tell you, they do not even know where they are, but there has been a policy.

Mr. Deputy Speaker, I like to use the example of a guy, who used to be President of the Barbados Labour Party Branch, St. Andrew, as a good example and as a precedent for solving these matters. Sir, strangely enough, it was a catastrophe, which occurred at a time when the Democratic Labour Party was in Government. Sir, I think Evelyn Greaves was Minister of Housing at the time when this man's house was affected by land slippage, and that policy was in place at the time. That policy continued, certainly up to the time when I was Minister of Housing.

Mr. Deputy Speaker, what persons at the National Housing Corporation has been doing now, whenever a new Minister is appointed, is that they are now putting forward policies for that Minister, so that there now have functionaries in the National Housing Corporation. Sir, sometimes one does not even know who is the manager of National Housing Corporation, but there are these functionaries who are telling the Minister: "This is the

policy, don't mind the Member for St. George South, St. James South or whoever". Sir, there are functionaries in Government, who are dictating policies for Government. Furthermore, there are some Ministers, who are weaker than others - all of us cannot be like the Honourable Member for St. George South - going along with these functionaries. Sir, it is a serious situation which has been created.

Sir, as I said, I am suspicious because I am wondering whether or not this legislation is not... Whatever the upliftment of the poor it might bring, is it a response or is it to get away from those functionaries, who want to dictate policies for Government? So that you have a Minister, in one dispensation, who would tell you that this is the policy and it has always been the policy, or that since a particular point in time, that it was the National Housing Corporation that is responsible for administering that policy. If you are paying rent and you are affected by land slippage, then the policy has always been, at least that you get back a house; if you own the land, you would get another house spot; if you were a tenant, under the Tenantry Freehold Purchase Act, you would get the land at \$0.10 per square foot. Sir, whatever position you were originally in, you would be replaced in that position.

Mr. Deputy Speaker, I have had the experience with one of these functionaries in Government telling a Minister that land was given away at \$0.10 per square foot in previous times and a new person, who is affected by land slippage, cannot get the land at the same price because this policy was dictated by the last Minister. Sir, sometimes as Minister we get somewhat hoodwinked and do not always check these policies. Therefore, I would hope that whatever good we might say about this legislation, that we are not sidestepping the issue. We have to get rid of some of these functionaries, sometimes because they embarrass the Government, by formulating their own policies, and we as Parliamentary Representatives are the ones who suffer.

Sir, I have seen it, I have been representing St. Andrew for a long time and I will be in St. Andrew for a long, long time. Sir, there are persons who have their own agendas and will sometimes target you. Sir, I must repeat, I would hope this legislation is not brought to get around those powerful people in the form of functionaries.

Sir, we, in St. Andrew, St. Thomas and St. Joseph know about land slippage. Sir, only last week, I was doing my rounds in one of the areas of the constituency and a lady, living in a little chattel house, the same type of poor people the Honourable Member for St. Thomas spoke about, had suffered land slippage. She was moved by the National Housing Corporation, after the house started to lean and within a space of six months, the National Housing Corporation and those very persons, whom it does not seem that the Minister could control, sent letters telling

that lady that if she did not pay rent by a certain time, she would have to vacate. It is alright for us to get in here and talk about poor people, but when these people go to the Ministry and come into contact with persons, who just shout them down, what would be the purpose of this legislation, when there are those situations taking place?

Mr. Deputy Speaker, I support this legislation but I am not so sure that we understand the problem. Sir, there are a number of people, who are affected in this way but I do not think there is any constituency that has been affected in this way, as badly as the St. Andrew constituency.

There is another gentleman living in Isolation Road, Belleplaine. When I went to his house and saw the condition of that house, which was leaning, I could not believe it. Sir, only a madman would have lived in a house like that, and it was a wall house. That is why I am suspicious of this legislation too, because when one looks at this legislation, it only speaks to chattel house, it does not help those persons affected by land slippage. This does not help the people I am talking about, those poor, poor people.

Sir, the National Housing Corporation then decided that they are going to put these people, who were affected by land slippage, into a particular area. They then ask them to pay rent. That man could not pay the rent and was faced with threats again.

Mr. Deputy Speaker, I certainly would like to hear the Minister of Housing and Lands on these issues. I welcome the approach of this Minister, since he was Minister of Housing and Lands. He has had a number of meetings with the various Parliamentary Representatives, the concerns he appears to have or the concerns that he has. Sir, being a Minister of Housing is like being a welfare officer, especially in today's world, where it is extremely difficult for a poor man to own anything in a country like Barbados. The price of land has gone haywire and you cannot throw poor people to the mercy of the elements, and this is exactly what has been happening. Sir, although I have not been very specific with the details, I have a file with a number of persons, who have been so affected.

Mr. Deputy Speaker, when one looks at the legislation, there is another aspect which relates to the problem of house insurance. I think this legislation should have gone further, with respect to chattel house insurance. Therefore, if you are looking at a cap of \$125 000, the only way that \$125 000 should have come in, should have been if you were saying that part of the Fund would have been used to insure all of those houses, in certain vulnerable areas, under \$125 000.

Sir, you cannot be talking about the upliftment of poor people, while having legislation such as this. This

legislation is talking about the purpose of a fund, to provide financial aid to low-income earners. It is capping it at \$125 000. It is also saying that it must be a wooden structure. This is why I hope that the omission of land slippage has not been deliberate.

5.10 p.m.

Tuesday, February 13, 2007

(EDITED)

Mr. G. W. PAYNE: Sir, all of these houses are over \$125 000 and while I would support this legislation, I must say that there are serious omissions in this legislation and that it is not too late to correct them, even the question of the income. Sir, \$500 a week is the normal wage for a good mason and you have a number of persons, within the area, that you are trying to help, who would not be able to access these provisions.

Mr. Deputy Speaker, I wonder before putting the figures in here, whether we have done a proper study of the income of people, whom we are trying to protect in this legislation. Certainly, I know that in White Hill that there are a number of persons, who have been affected by land slippage. Sir, there is a list of 125 houses and, it would have been easy to find out the incomes but, certainly, this has not gone far enough. Mr. Deputy Speaker, I believe that I have captured the concerns of the people of St. Andrew, of the people in rural Barbados and the concerns of the two Barbadoses, about which the former representative of St. Joseph spoke so eloquently.

Mr. Deputy Speaker, I hope that the Minister of Housing, would be able to tell us, with respect to those persons who have been affected by the ravages of nature, whether or not the existing policy will continue. Sir, I would like to know whether or not that policy will continue side by side with the assistance in these provisions. I would like to know from the Minister whether or not those cases that have been affected by land slippage; those persons, who have moved from White Hill to Farmers; those persons, who have moved from White Hill to other areas; those persons, from Isolation Road and other areas, whose houses have been affected by land slippage and who are being called upon to pay rent, I would like to know from the Minister whether or not he would undertake a full investigation of these cases because he needs to get a full investigation from the National Housing Corporation.

Mr. Deputy Speaker, I would like the Minister to assure this House that all of those persons, who have been disadvantaged as a result of the fallout from the policy, whether it is under the former Minister or the Minister before him, or even under my time, whether these persons will receive any redress because it is a serious situation and

a serious cause for concern, especially in the constituency that I represent. Sir, it is more so because a lot of these persons were told that certain lands were being acquired to house them and now, Mr. Deputy Speaker, that same land is being sold to match land prices, which are being sold in the open market.

Mr. Deputy Speaker, that is a serious concern that I would not want to address at this point because I believe there is time for us to deal with that but I would hope that the Minister would address these issues.

Mr. Speaker, I am obliged to you.

MR. DEPUTY SPEAKER: The Honourable Member for Christ Church East Central.

Mr. R.D. JONES: Mr. Deputy Speaker, sometimes one sits in this Parliament and listens to the debate and one might be moved to use the persuasive tongue to convolute what has been said. Sir, at no time has any of the Honourable Members on this side, who have spoken, stated that they are opposed to this Catastrophe Fund. In fact, Honourable Members have been at pains to point out that they support very much the intent of the Fund but, just like the Honourable Member for St. Andrew... I am pleased with his contribution here this evening because it is the same thing that the Honourable Member for St. Philip West and the Honourable Member for St. John have been saying. The notion of disposable income being used as the construct to determine who will benefit from the Fund, was espoused already on this side and we are glad, Mr. Deputy Speaker, that the Honourable Member for St. Andrew, has taken up the same call because, speaking as the current representative for St. Andrew, he truly understands what he is talking about, relative to this particular matter.

Mr. Deputy Speaker, I want to restate it. The Honourable Members of Her Majesty's loyal Opposition stated that they support the Catastrophe Fund but pointed out the weaknesses of the Fund because we want to see a situation that when you apply the Fund to persons that, in fact, the Fund meets what it sets out to do. Mr. Deputy Speaker, one has the careful huffing and puffing of many of the Honourable Members, who have spoken because the need, even in this House to make the cheap, political point by Honourable Members who have spoken, is always present.

Mr. Deputy Speaker, there are some people in this House who believe that they are the first ones to come up in a situation of poverty. I am not an economist but I have some understand of the history of Barbados and even though many may now live in the \$0.75 million or \$1.5 million or \$2 million wall houses, the origins of all of us were on the periphery of the plantation. Therefore, for individuals to be walking about day and night claiming

some special crusade as though they are the only one, who understand the pain of the poor or who understand poverty or say they had to be moved from the homes of their mothers and be raised by a grand mother, great-aunt or aunt, is really an insult to the intelligence of Barbadians.

H142/17:20

Sequence 38

Tuesday, February 13, 2007

Mr. R.D. JONES: Mr. Deputy Speaker, the family lifestyles across Barbados can be characterised by this movement from large families, to be taken over by somebody else, so that is no special and distinctive claim by any Honourable Member of this House. It is not. Therefore, what we need to do is to try to focus on really what a Bill like this is to do.

Sir, it is to meet the needs of what is being referred to in this House as the vulnerable, but that is another fallacy. It is as correct, as the Honourable Member for St. Andrew has stated. Sir, because an individual lives in a timber house, by definition of this Bill, does not only make that individual vulnerable. For example, those persons who are conscious of the dynamic of the villages, from which most of us originated, would understand that many of those villages developed on the periphery of plantations on rab land, where they had a small timber house, and gradually, over years, they converted it to wall, but they maintained the same economic lifestyle.

Sir, if you are going to determine that because you live in a wall structure, there is no vulnerability, that is a problem. We can point to thousands of households in Barbados who, as a result of their construction methods of the availability of free labour, within their communities, by friendship models, by the caring community, who developed their homes in that particular method.

It is not a situation where you go to a bank, withdraw three quarters of a million dollars and buy a plantation house. It is not about that.

Asides.

Mr. R.D. JONES: It is about saving a few dollars, buying a few blocks and on weekends building that structure, so the vulnerability is still there. That is one point that this Bill is failing. It is making the fallacious assumption that because you live in a stone house, there is no vulnerability.

Sir, I know that the Honourable Member for St. Michael North West, as one of those who cry about the belly pain and the hurt, and sleeping crossways on the bed,

would truly understand, because he has spoken of it ad nauseam. In fact, he speaks about it more from over there, because you would not let him forget it.

Asides.

Mr. R.D. JONES: Therefore, placing an arbitrary figure of \$125 000 and speaking to the notion of the chattel house only, defeats the point of the Catastrophe Fund. One does not want to start out in this defeatist mode, surely not. Mr. Deputy Speaker vulnerability affects every citizen in Barbados in some way.

Sir, they are persons speak of the poor and it is extremely frightening. They speak of the poor as though they are handicaped. Somehow, the poor are tied down and have no brain power to examine their own needs and concerns, but seek to move into situations where they can get assistance, where they can get help, where somebody can bring an understanding ear and point them in right direction. This happens every day in Barbados, every single day. Sir, those persons who stand on the pulpits and scream at you about the poor and the black, as though being poor and black or brown is a handicap.

Mr. Deputy Speaker, as we try to suggest that we need to help vulnerable groups in society, by necessity, we remove the adverbs and adjectives from in front the vulnerability of these individuals. It is almost demeaning and it captures almost the same tone, mood and enunciation of those persons, who for three hundred or more years stood on the backs of the people of a particular colour or class. We cannot, in our verbalising of these particular issues, almost use the same type of language or phrasing, in order to make a point relative to these particular issues. It should not happen.

Sir, the other danger, and one that is almost frightening, is that because an individual, for whatever reason, might be poor or vulnerable, does not necessarily mean that the State, State agency or whoever, must go about distributing the resources that are at his disposal, without having justice as part and parcel of the process, fairness, equity or morality. Sir, because you mentioned the word poor, you do not have to dispense of all of those things which I mentioned, in order to meet those needs. At the end of the day, because even those to whom you dispense these so-called goodies, they are watching. They are seeing what you do, how you do it and to whom. Therefore, even though they received and they might be some satisfaction in them for the moment, they question your motives, they question the way you did it, because they too have a deep philosophical approach to how things should be done. They might be poor but they are poor with a conscience. They are poor with a soul and even though they want to receive, they do not necessarily want to receive it in the kind of way it is being dispensed.

Asides.

Mr. R.D. JONES: As the Honourable Member for St. Philip West stated, if one wants to apply the Catastrophe Fund, disposable income must be a parameter. How you determine that parameter would be left to those who deal with these things in a statistical way.

Sir, I would suggest, even now - since this side will support the Catastrophe Fund, as has been stated by everybody here - step back a bit, reshape it a little more, and return it, and we will guarantee you, not to have any real debate on it on this side. We will just give it the assent. Go forward with it because the points are real, relative to this particular Catastrophe Fund.

17.30 p.m.

Sequence 39

Tuesday, February 13, 2007

House 124, sequence 40, 5.30 p.m.

Mr. R.D JONES: We know that there are difficulties, sometimes, relative to the homes being insured. One, because persons do not have the resources to insure the homes.

Mr. Deputy Speaker, Members in here spoke earlier about insurance companies. I do not speak for insurance companies because they are part of the catalyst framework, and have also to take on risks. Sir, in order to make money, you take on risks. But I say that this cannot be true because I am familiar with many chattel homes, maybe, within the 25 per cent group that the Honourable Member spoke about, I do not know, who have been year upon year, getting insurance for their properties, without any problem from the insurance companies.

Asides.

Mr. R.D. JONES: This has been happening. I am familiar with it. In fact, I went outside and checked to see if I was wrong, that insurance companies were insuring chattel homes, in Barbados.

There are persons in this country, Mr. Deputy Speaker, with stone houses and you see some of them from time to time in the newspapers that are not insured. They are not insured for one reason. A lot of people do not have the resources even to insure their stone house. It might not be covered by mortgage. It might be one built in the particular manner of the piece by piece on weekends, so they do not have the extra income to move to the insurance company.

There is also a situation that I am familiar with, where insurance companies give you an opportunity to pay monthly or quarterly. Sometimes when Honourable Members, speak, they have to check their facts as well. In order to make a point, you do not twist the argument to satisfy your particular self.

There is another point, Mr. Deputy Speaker, and it relates to this whole notion of justice, fairness and equity. There are persons who were at pains - again, I do not know if the Chamber is becoming a partisan place in which we must fight as the smell of politics emerges on the wind - and therefore they took sometime to attack an individual who is not a member of this House, speaking to him in such strong laden tones of anger, an individual who has walked the length and breadth of the constituency of the City, doing what he can to lift people up in his own style and manner.

Asides.

Mr. R.D. JONES: If that is true, the criticism your member should accept because it is fair and true. Therefore, to invite an individual who does not have the same attachment to the public purse as one who is a member of the ruling party and to place them on the same level, is wrong and unfair.

Sir, I understand it very well because it is to make a political point, but we do not need to turn this Chamber into a partisan band yard. Let us do it on the outside, but do not let us pollute the Chamber in that manner. There was a lot of pollution today, in relation to this matter, and where you almost sought to bastardise, Mr. Deputy Speaker, a young man. We want more young men and young women to come forward to service.

Mr. DEPUTY SPEAKER: Honourable Member, are you suggesting that this Chair has allowed such?

Mr. R.D. JONES: No. I would never. The Chair has always been fair and just. I am not suggesting that by any stretch of the imagination. I am not getting into excess of language at all. I leave that to the other side, because I do not need to pretend here when I speak.

Mr. Deputy Speaker, let us have a holistic policy in relation to this matter. When I looked through the areas that the Act identified as liable to a catastrophe, and there was the careful listing, I said that there is a major part of Barbados, which suffers from land slippage but that is not mentioned. There is the catch-all phase, which was tossed in: "...and any other forces of nature."

When one can assume, if one wants to be charitable, that land slippage is a catastrophe, a force of nature. Sometimes you need to implant, within the legislation,

those words as well, and that is where the Honourable Member who spoke before me, would have some support. Place that in the legislation, so that no one on their own whims and fancies, could do an interpretation of what is really meant or should be meant by the particular legislation.

It is only fair for those persons who live in those areas to feel as though they are also covered by the legislation, which we are looking at here this evening. This is the only thing we could do. There are other vulnerabilities. We talk of storms, hurricanes, lightning and things of that ilk.

We had Hurricane Ivan, I believe, in September of 2004, where several roofs of houses were taken off. Today, if you drive up Lodge Road, Mr. Deputy Speaker, you would still see a home, where the galvanise has not yet been put back on it. They move quickly within the first five to six weeks, and they put on this plywood form on the roof, T111. It stood that way from, maybe, November of 2004, to when I passed on Sunday, it was still there.

Therefore, those persons must be seeking shelter somewhere else, even now, because they are not living in the home. I knew that they were given shelter by one of the State agencies at the time, but I believe that the people need to move back into their own homes and the comfort of those homes.

Sir, somebody would argue that the resources are not as expansive or as great as one would want them to be. Therefore, you have situations like these, existing, but that is vulnerability. A storm or hurricane came along and blew off the roofs, and we scrambled the resources of the country, the resources do not appear to be enough, so somebody's house does not have its roof on.

There are other houses across Barbados that have not been dealt with. We need to deal with those things as well because there are glaring examples, either of inept management styles, poor organisation, poor execution or any one of the organisational things that we talk about from time to time.

I want to ask another question. If I live in a chattel house of \$126 000, do you mean that by a mere \$1 000, I cannot benefit, if a natural occurrence took the house down, a fire, a storm, a land slippage? I am saying that this is where the fallacy of the legislation lies. It is faulty there, and that is why the disposable income notion is a more serviceable notion.

I want to address this to the Honourable Member for St. Michael North West, even though I call his number out, I did not know it was his number, I only recognise it today,

or I would not have called it out. Somebody would have removed his vehicle from the spot it was at.

House 124, sequence 40, 17:40:14

Tuesday, February 13, 2007

Mr. R. D. JONES: Mr. Deputy Speaker, the Honourable Member should consider looking at the disposable income as the barometer rather than at the \$125 000 as the barometer to ensure that this fund applies.

Mr. Deputy Speaker, just like some time ago when Government withdrew a Bill for further consideration, this Bill can be withdrawn even now, even though the Honourable Member for St. Michael North West said that it is part of a crusade. Mr. Deputy Speaker, I have no problem with that because there have always been crusades. There have been Christian crusades where there was war, bloodshed and terror in the soul of persons.

Mr. Deputy Speaker, one would hope that the Honourable Member is not speaking in that particular vein, but is speaking to the other definition of a crusade, which is to uplift people and to change people's conditions. The Honourable Member would have to decide if he is talking about bloodshed, war and violence or to lifting people up to a different state in their social advancement across this great country of ours.

Mr. Deputy Speaker, as I seek to wrap up, I just want to restate a few points. The Democratic Labour Party is not at all opposed to the establishment of a Catastrophe Fund. The Democratic Labour Party has been at the bedrock of supporting the poor and the vulnerable in this society.

Mr. Deputy Speaker, the Honourable Member for St. Michael North West found his feet and his elevation in the Democratic Labour Party. Sir, the Honourable Member in his crusade even then understood that the Democratic Labour Party stood solidly and firmly behind the upliftment of the poor and the vulnerable in this society. Maybe that is why he can speak now with such tones because the early and proper tuition can never be forgotten. It is the same thing with the Honourable Member for St. Michael East.

Asides.

Mr. R. D. JONES: The Honourable Member for St. Michael South East has not yet spoken. I understand his rhythm very well. It is the same thing with the Honourable Member for St. Michael East, the great crusader as well, the only one who knows how it is to be poor and black, and how to enunciate relative to poor people. Sir, not even his good friend, the Honourable Member for St. Michael South East, according to him, knows how to do this now. Mr.

Deputy Speaker, these ladders that we climb up on claiming something for ourselves that really does not exist. Mr. Deputy Speaker, the notion of \$125 000 and the notion of only chattel dwelling must be considered again.

This Catastrophe Fund is an excellent idea and is supported over time in different formulations by the Democratic Labour Party. Mr. Deputy Speaker, arrogance, ego and foolish pride should not stop the Honourable Member from going back to the table and coming forward again with a more comprehensive and sensible description and prescription relative to the Catastrophe Fund.

I thank you, Mr. Deputy Speaker.

Mr. R. St.C. TOPPIN: Mr. Deputy Speaker, I rise to give my full support to this Bill before this Chamber today, which, in my view, is a further demonstration of Government's commitment to address the problem of housing in Barbados and to assist the poorest members of this society.

Mr. Deputy Speaker, I heard earlier, the passion in the voice of the Honourable Member for St. Michael East, as he clearly expressed his resentment in relation to the attacks by the other side on this Government's efforts to deal with the issue of housing in this country.

Mr. Deputy Speaker, I fully share that passion. It is not, Mr. Deputy Speaker, as if the problem of housing arose in recent times or only since 1994, housing has been a problem for many years in this country. Those on that side, the Democratic Labour Party, had an opportunity as well to address the problems in relation to housing. Mr. Deputy Speaker, when they had the chance they opted to do nothing, but every time we bring another policy position to this Chamber to address the issue, they have all manner of criticisms about what we have put forward. Their record is one that is really shocking.

Mr. Deputy Speaker, they have no moral authority whatsoever to comment on the performance of this Government or any Government at all in relation to housing. When a Party or a Government can feel happy and contented in its heart that in eight years they built 53 housing units to satisfy the needs of the poor people in this country, that is a crying shame and says a lot about the Party who could see its role over an eight-year period in relation to housing as providing merely 53 houses for the poor people across Barbados.

Mr. Deputy Speaker, the approach of the Democratic Labour Party between 1986 and 1994, is the source of the problem we faced in relation to housing in this country today. It has not gone away. This Government therefore had to respond, as best as it could, to deal with the issue, first of all, of having found several thousands applicants on

a waiting list at the National Housing Corporation, when we assume office in 1994. We have had to therefore approach the issue of providing housing as best as we could, starting with that tremendous deficit left by the Democratic Labour Party. Mr. Deputy Speaker, it is a great difficulty in coping with the request being made that we found.

If therefore, Mr. Deputy Speaker, there is a difficulty in responding to the housing needs by providing new housing in bulk as it is being requested, we have opted, and in the meantime as an adjunct to that, to commit ourselves to maintaining the existing stock occupied by those members of this society at the lowest end of the economic ladder. That is the approach that this Bill has taken. We cannot satisfy all of the needs of those persons who required new housing, so therefore we have opted to ensure that the existing stock, as far as possible, is maintained at the same level that it is, that, Mr. Deputy Speaker, is what this Bill today is all about, and that approach has to be commended.

Mr. Deputy Speaker, any person with a heart would have to support this Bill because it is a significant step in the right direction. Mr. Deputy Speaker, I say that it is a step because as time goes on, we are going to be able to amplify on the benefits being bestowed by this legislation and expand the scope of the legislation.

Mr. Deputy Speaker, at this point, I must confess that I too share the concern expressed by the Honourable Member for St. Andrew, and I am not sure by who else, that the issue of confining the scope of the legislation to a mere chattel house, would present certain anomalies.

Mr. Deputy Speaker, the Honourable Member for St. John, perhaps not known in his constituency as well as he perhaps should, started to make the point, but he did not really make it properly, that there are a number of places in this country, particularly in rural Barbados, where you would see a number of small concrete houses that are clearly valued less than \$125 000 and are occupied by persons who earn less than \$22 000 per year.

Therefore, I must confess, and I made this point to the Honourable Member for St. Michael North West already, I am not taking anyone by surprise, that I believe that as time goes on we would need to expand the scope of the legislation to cover not only a chattel house but a house generally to a value less than \$125 000 owned and occupied by someone earning less than \$22 500 per year.

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5.50 p.m.

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Mr. R. St.C TOPPIN: Mr. Deputy Speaker, I believe it is a significant step and that adjustments can be made along the way. Sir, a Bill brought to Parliament, for the first time, almost never covers all the bases that it would have to cover over time, and as time goes on, the necessary adjustments and amendment could be made, to suit the changing times.

Mr. Deputy Speaker, I want to make the point also that with rights come responsibilities, and no persons out there, no matter how poor, living in a house that person happens to own, should feel that this legislation gives them the right to be lapsed in taking care of their premises or houses. As I said, to whom much is given, from whom much is expected and therefore, they would also have the duty to ensure that they do nothing to bring about the demise of their own houses. Therefore, things such as keeping their surroundings clean and clear of bush that can be hazardous, in certain circumstances, will now be a requirement they would have to satisfy. I dare say as well that where the Government owns land close to person's houses, particularly those at the vulnerable level of society, Government would now have a duty to ensure that it keeps the surroundings of these residents and homeowners properly cleaned and debushed.

Mr. Deputy Speaker, I must say that I am not entirely happy with the response of the debushing team, certainly as it relates to St. Michael North. Sir, for two consecutive years now, I have found that they seem to have bypassed St. Michael North, despite several written and oral requests. Sir, despite repeated promises that some response would have been made to my requests, I am not satisfied that persons are being sufficiently mindful of that geographical part of Barbados. Sir, I am saying that Government would have to ensure that areas around person's homes are kept clean.

Mr. Deputy Speaker, there are some areas in my constituency, that are occupied by persons who fit squarely into this legislation and I shudder at the thought, if during the dry season, a fire were to break out in certain parts of that area, off the Highway behind West Road, where virtually there is now a forest. Sir, a number of requests have been made to have the area debushed. It is Government-owned land, but there has been no response at all from the debushing personnel. Therefore, I am asking that this be looked at.

Mr. Deputy Speaker, another issue which people would need to look at very seriously, in terms of preserving their houses, is not leaving children alone at home. This is a very, very serious problem and I do not think any Honourable Member would tell you that he or she has not had an experience, as he or she goes canvassing in that constituency and of knocking on a door, only to find that a very young child would answer the door or window and

when asked for mommy or daddy, the child would say that neither mommy nor daddy was home, and that he or she was home alone. Sometimes that child would be no older than seven or eight years old.

Sir, this is a crying shame on a person who would do that, not only would be the welfare of the house at stake but perhaps more importantly in this context, the well-being of the child or children, would be at stake. Mr. Deputy Speaker, we are speaking in the context of housing and therefore I am saying to ensure that houses are not unnecessarily destroyed, we have to ensure that adults would behave like adults and would not leave their little children at home alone.

Mr. Deputy Speaker, last, persons must also become more involved in the local and community disaster preparedness groups. This is very important. Quite often, it does not take much to be able to secure a property, to put an end to fire, or to know what little things to do, that would not create circumstances that favour the originating of a fire, or any other form of natural disaster or calamity. Sir, these meetings that are held by the District Emergency Relief Organisations are very important.

Mr. Deputy Speaker, despite the widespread publicity and advertisement given to the meeting that was going to be held in my constituency, only about seven or eight persons turned up at the meeting. At that meeting, there were personnel, who were very competent to advise on disaster preparedness, who, unfortunately, had to speak to such a small grouping. I am, therefore, appealing to residents and homeowners to attend these meetings, where much information can be gained.

Mr. Deputy Speaker, I also want to say that this Bill does not indicate when it would take effect. I would, therefore, want to say I believe it should have some retroactive application. Sir, there are a number of cases, within the last five years, where persons have suffered the loss of their houses, in circumstances which fits squarely within the four walls of this Bill: owner/occupied, earns less than \$22 500, and it is a chattel house, yet to this day, those persons have been unable to secure any form of housing in the National Housing Corporation. Sir, I know of one particular case, where, for more than two years, that person who has suffered a loss, is still living at the mercy of relatives and friends.

Mr. Deputy Speaker, obviously this fund is not going to be fully funded at the commencement but I believe that this legislation should have some retroactive effect, to take care of persons, who now find themselves, through calamities some years ago, still literally living on the streets. Sir, a Government would not want to allege, on the one hand, that it is committed to developing a country and enhancing the well-being and welfare of its citizens, while,

at the same time, there are some individuals who have to literally hop from relatives to relatives, on a nightly basis, hoping that they would, in fact, be admitted on reaching there. Mr. Deputy Speaker, I am appealing to you to make sure that this piece of legislation does have some retroactive effect.

Mr. Deputy Speaker, as I look through this legislation, I would say that if I do have one major concern, it relates to the composition of the Catastrophe Fund Claims Committee. Sir, when you go the length of bringing a piece of legislation that is well-intentioned to undertake a very serious function, especially when somebody suffers from calamity or the effects of a natural disaster of any kind, there must be a very quick response, to ensure that person's calamity or distress is adequately or quickly addressed. When I see that the Committee shall consist of six persons, namely the Supervisor of Insurance, the Director of National Insurance the Chief Fire Officer and the Accountant-General, who are ex officio Members, and two other persons, who shall be appointed by the Minister by instrument in writing, I believe this composition would not adequately serve the need of a committee that is set up for this kind of purpose.

Mr. Deputy Speaker, I am extremely opposed to bureaucracy, red tape and things being buried under the table somewhere, where investigations and further investigations have to be done; where a report has to be prepared, then analysed, then sent back to somebody else, then brought back and then further sent somewhere else. Therefore, with those officials I have just called, I am really fearful that this would end up being a bureaucratic joke, I really am, and I am asking that a serious look be taken at this.

6.00 p.m.

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(EDITED)

Mr. R. St.C. TOPPIN: I am, therefore, asking that a serious look be taken at this. I am never one to attack the very good work, done over the years by civil servants but we know for a fact that civil servants bring with them a certain approach and a certain way of doing things. When you set up a fund like this to respond to a calamity and someone is distressed, you want action, not a whole lecture on procedure or that you are made to go around in circles all the time, Sir, this calls for quick action.

Mr. Deputy Speaker, the first thing to do is to get a valuation of the property and, therefore, someone with experience in the area of valuation would be a must and an asset for this Fund. Sir, persons can be suggested but, I am definitely concerned that the Supervisor of Insurance, the

Director of National Insurance, the Chief Fire Officer and the Accountant General should be on the Committee. Sir, I honestly do not see why those persons should be on a Catastrophe Fund Claims Committee. I do not see it, I say that with all due respect to all the good work they have done but I believe they can continue playing their roles in the current offices they hold and let others come on this Committee, which calls for very quick action.

Mr. Deputy Speaker, the last point I would make has to do with the fact that when Government proceeds to bring this type of legislation before this Chamber, you do not want to have another arm or department somewhere not being on deck with the Government's thrust because a cow can give a good pail of milk and then the cow kicks it over and, it is gone.

Mr. Deputy Speaker, I am concerned about the speed at which the National Housing Corporation is working to ensure that Government's policy, in relation to housing could be carried out. I am very concerned about it. Sir, I have said before that the Minister is very committed to ensuring that the policy of Government is executed. Last year, when the changes were made in Cabinet, I expressed the view that the Minister of Housing was lending an ear to all our concerns. Sir, he still is and I appreciate it.

Asides.

Mr. R. St.C. TOPPIN: Sir, the Honourable Member for St. Andrew refers to them as functionaries but I tend to call them operatives and perhaps it is the same thing.

Mr. Deputy Speaker, I would like to know what is the hold up in relation to the National Housing Corporation selling the units in the Government estates to tenants. Sir, I would really like to know what is the problem. It cannot be that year after year, you are making very little progress so, I cannot understand it.

Mr. Deputy Speaker, I believe that the National Housing Corporation has clearly demonstrated that it is incapable of carrying out the project. I think it has demonstrated its inability to execute this very important project and, therefore, I believe that the project should be removed from under the general ambit of the National Housing Corporation and a special Committee, which will function full-time dealing only with this issue be set up, where they can give 24/7 to dealing with this issue.

Mr. Deputy Speaker, this issue is raised all the time but you get no answers as to why the project is not being taken forward. Sir, in the meantime, certain people are suffering. It was stated policy that arrears of rent would be added on to the purchase price and that they would pay that as part of the total purchase price. There is an individual, in my constituency, who is paying current rent but, who had a

problem some years ago, the arrears were left in but he is paying every month now, the arrears built up, it is not a massive amount but he was arranging to borrow this from the Credit Union to come up with a global purchase price but yet he has received a Notice to Quit. He is asking me how on earth I could tell him that he could add on the outstanding balance to the purchase price - the arrear is a fixed amount - he has made an arrangement to get the purchase monies but, at the same time, he gets a Notice to Quit.

Mr. Deputy Speaker, these problems are arising because of the fact that the National Housing Corporation would not sell the units to the people. If the National Housing Corporation would sell the units and transfer title to the tenants, these problems would not arise. Sir, I really do not know what they are sitting down and doing but I heard some rumours that it has to do with the Town & Country Department. I really cannot accept that for three years or more that the Town & Country Department could be the problem and that it is not being addressed. I cannot accept that is the same reason. I do not know if it was said anywhere officially that was the problem, yet you are hearing that some persons have built on structures to their homes illegally but I do not know if that is true or not.

Mr. Deputy Speaker, the vast majority of people have not built on any structures illegally so, Sir, can you not deal with them while the legal issue with the Town Planner is being sorted out. I am at a loss and this is why I have said that the National Housing Corporation has demonstrated its inability to handle this project with the speed that is needed. I am, therefore, asking that a separate Committee be set up that would have the sole responsibility of focusing on this project and taking it forward so that finally, we would be able to say that a Government has done this.

Mr. Deputy Speaker, over the years, both Parties have made this promise about conveying units to tenants. The other side did it in an unrealistic way but we have done it in a serious way. I believe the time has come when we should get a special committee to ensure that this long, outstanding project, which is good, will go hand in hand with the Government's Property Owning Democracy Programme.

Sir, when you convey units to tenants, you are making them property owners, giving them an asset for life and a home or house is the dream of every single person. Therefore, I want to make a plea again - I do not want to say the Minister, because I am truly satisfied with his performance - if somebody is not going to respond to my request that a special committee be set up and the project be taken away from National Housing Corporation, then I am asking that some fire be put under the National Housing Corporation so that they can get serious with this project.

Mr. Deputy Speaker, it is amazing that as soon as somebody goes into arrears at National Housing Corporation, they are quick to get off a Notice to Quit or a letter demanding the arrears and it is the hardest thing to get them to change their minds about evicting the tenant but yet these projects that are positive developments for the tenants, they seem to have a difficulty in getting them executed. I want to call on them to get serious so that this Government can honour its long-ago-made pledge to ensure that the tenants of those Government housing units can become the owners.

Mr. Deputy Speaker, I, therefore, fully support this Bill before Parliament. It is yet another effort by the Government in relation to assisting those most disadvantaged in this country and another serious attempt by Government to address the problem of housing across of Barbadians.

Mr. Deputy Speaker, it has my full support. I thank you.

MR. DEPUTY SPEAKER: The Honourable Member for St. Lucy.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, I too would like to support this Bill but based on certain wordings and certain conditions, I find it rather difficult to support. There is no doubt that a Catastrophe Fund can help many people and I think...

H142/18:10

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Mr. D. St.E. KELLMAN: that we do not only have a Catastrophe Fund for housing, but it is clear we need to have for a Catastrophe Fund for farmers and many other persons in Barbados.

Sir, I am not allowed to look at the front page of the Nation newspapers, so I cannot talk about the farmer in St. Lucy, who is working in the interest of building a stone structure, only to see his crops being reaped but he has no market for his crop. It is clear that we also need a Catastrophe Fund for the farmers.

Sir, I have real problems with this Fund. I am told that if you occupy a chattel house valued not more than \$125 000, where that house is damaged or destroyed by a catastrophe, within the meaning of the Bill, that the Government will look after you.

Sir, as I traverse Barbados I still see slave huts, and they are not chattel houses. Are you telling me that

somebody living in a slave hut, not valued at \$125 000, cannot make a claim on this fund? I am proposing that...

Mr. R.D. MARSHALL: On a point of order. A slave hut that does not value \$125 000 is still covered.

Mr. D. St.E. KELLMAN: Sir, the Honourable Member does not understand that a slave hut is a stone structure and not a chattel structure, so there can be no claim. It cannot qualify because it is made of stone. That is why I am saying that instead of having chattel ... and I am also saying that the Barbados Labour Party does not want to make an amendment to this Bill, that the Democratic Labour Party will have to amend this Bill. Instead of having chattel, it will be replaced by the word wall, because wall means stone or chattel. I believe that instead of having the word chattel, it should have been a wall house, which will give latitude to these problems.

Sir, how can we be discussing in this day and age, that the maximum a house could be valued, in order to be protected is \$125 000. Do you understand what is a house that is valued \$125 000? There are chattel houses that are valued more than \$125 000. How can we have a situation where you have a three-bedroom chattel house and land, because you have to include the price of land, in this valuation of \$125 000, it is not only the house, but it is the land, because this \$125 000 is not the site value, nor the value of the house, but the improved value. This \$125 000 is predicated on the improved value and not only the value of the house.

Sir, if you look at your land tax bill, you will recognise that the \$125 000 is the value of the house and the land. That is the improved value.

Mr. C.A. MASCOLL: On a point of order. Sir

the Honourable Member for St. Lucy is certainly misleading this House. Certainly, we do not expect that land can burn from a fire. We do not expect that lightning can remove land, neither do we expect a sea surge nor flood. I am fascinated by the debate, because there is consensus in this debate. Sir, to have expected the Opposition to now request, that it is not a chattel house we should consider, but any kind of house, is in fact to speak of consensus. To have the Opposition so much in bed on this piece of legislation is remarkable.

Mr. D. St.E. KELLMAN: Sir, in Section 2, I see flooding of the foundation, a storm or sea surge, and this is all to do with land. The sea washes the land.

Sir, what is more important, this Government brags about the progress of the masses, and this Government up to 1994 had 83 000 houses, by 2007, there were 91 000...

Hon. R.R. FARLEY: On a point of order. The Honourable Member is misleading the House. I do not want the Honourable Member to reflect on the Barbados Statistical Department and the census that is done every decade. The 1990 census figure was 82 204 dwelling houses in Barbados, and in the year 2000, there were 91 406 dwellings, both houses and apartments, at an average of about 10 000 apartments.

Mr. D. St.E. KELLMAN: I am very grateful to the Minister and I believe his word. I know that he would not mislead this Honourable House. In 1990, we had 82 204 dwelling houses and by 2000, we had 91 406. Sir, this is a document which was laid in the Honourable House. In 2000, we had 46 956 vehicles and by 2001, we had 71 756, which means that in Barbados, it is easier to get a vehicle than to get a house. What is more disgraceful is, by 2004, that figure increased by over 33 000. In three years time, they were able to get the number of vehicles in this country increased by over 33 000, but cannot get houses increased by 1 000 per year.

Sir, you now understand when the Government speaks about wealth, how wide they use vehicles as an economic indicator of prosperity in this country. They cannot use dwellings.

Sir, what is even more regrettable, in less than a year, the same units that Honourable Members are asking to be converted to the tenants, they are all stone structures. Previously, under the rental agreement, National Housing Corporation had to repair the units for those tenants. When the conveyances are passed, these persons will not be able to have access to this Fund if there is a fire, one, because it is stone, and two, the value will be greater than \$125 000.

It seems to me that the Government is now offloading their responsibility on poor people in this country. That is why the Democratic Labour Party will have to change the wording from chattel to wall, and will have to change the value of the properties, because \$125 000 is not realistic.

Sir, a Government that gives the impression that they want to look after their people, cannot be passing this type of legislation in this Parliament. This is how we now know the real social conscience of this country. This legislation alone will tell you, how much the Government cares about the masses of this country.

Sir, you have a situation, a real social situation, where the poorest of the poor are the ones who live in the units. I am a bit surprised, because I supported the Honourable Member who felt that these units should be sold to these persons, because they pay a lot of rent and their incomes are not at such high levels. I am a bit surprised that the Honourable Member did not support this.

18.20 p.m.

Sequence 44

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House 124, sequence 45, 6.20 p.m.

Mr. D. St.E. KELLMAN: I hope that when the Honourable Member gets up, he remembers his point, a very good point, that they work hard, they pay their rents and they are entitled to something. I agree with you, but how could you make that substantial point and now bring a legislation to this Parliament, excluding the same persons that you have always defended? Is it a case of location or new thinking? It cannot be a case of new thinking, so it has to be a case of location.

Mr. Speaker, we also have to ask when the Hazard Inspector would be involved in these issues. Sir, we heard a lot about the Hazard Inspector and we have not seen the Hazard Inspector appear on the scene yet. I am told that there is now one Hazard Inspector, who could be seen in the City of Bridgetown.

I have heard that the Democratic Labour Party employed someone as Chairman of Parks and Beaches. A Chairman of Parks and Beaches is responsible for 21 x 14 miles but the Hazard Inspector who has been given to the City of Bridgetown, is only responsible for the surroundings of Kensington, and people want to equate that to a Chairman of a Board.

How can you equate a narrow area to a total country, and tell me it is the same? I had no intentions of getting involved in this debate, but when I see the evidence skewed in this particular direction, I had no choice, than to enter and defend that great Party called, the Democratic Labour Party.

Our policy was for the country, not a constituency and this gentleman has been given a job for a constituency, and not the country. I am saying that if this gentleman needs a job, his remit must be for the total country and not for a constituency, especially a constituency for which he expects to run.

Sir, the first time I knew that Barbados had so much squalor, is today. It came from the other side. Nearly every member spoke about squalor. I could not believe that after 12 years of the Rural Development Commission, the Urban Development Commission and the Ministry of Social Transformation, that we would still be speaking about squalor. I could not believe that it would take World Cup to

let us know that we have poor people living in the City of Bridgetown.

We had to behave as if we could only look after the interest of poor people, when we see foreigners coming to the country and seeing their poor state. I am saying that something is wrong in a country, when we are saying that we can only look after the interest of poor people, because we do not want foreign journalists to see their poorness.

It is regrettable and I am saying that what we need in this country is a total social policy, predicated on the belief in people in Barbados, and not to please foreigners. Are we cosmetologists in this country, and can only paint a good picture? Is that what Kensington is all about, a pretty picture and no production?

Sir, the Democratic Labour Party will have to change this, because it is clear that this country has been without this Party for too long. There are social engineers who have worked hard in this country. I wonder what the Seventh Day Adventist Church would say, when they hear this type of debate coming from the House of Assembly, considering what they have been doing in this country, where they have been able to take the social engineer on the other side and take it throughout Barbados and, at least, display some comfort to the poor, without doing it for foreign journalists. Sir, they did it because they had caring hearts.

What is even worse and worries me, Sir, I watched two Honourable gentleman, who should know better, all of a sudden backing a coalition troop. I hope, Sir, when that troop turns on these two Honourable gentlemen, they understand what they are doing. I hope, Sir, that when what they consider to be friendly fire, turns out to be enemy fire, they understand what they are doing.

Clearly, Sir, that Honourable gentleman cannot be walking that same path as the two gentlemen that I know. They are divided so far and wide in their beliefs that when the number count comes, these two Honourable gentlemen would be on one side, and that Honourable gentleman would be elsewhere.

I wonder sometimes what the big chief would say when he heard the debate last week from these Honourable gentlemen, giving ammunition to the enemy to destroy the Chief. I sometimes wonder, Sir, if they know that it is not friendly fire they are dealing with, but it is really the fire from the enemy.

Mr. Speaker, in 1994, when we left this Government, we left two housing projects, namely, Cane Garden and Husbands, all stone structures.

Asides.

Mr. D. St.E. KELLMAN: The Democratic Labour Party was prepared to deal with the Venezuelans and the Barbados Labour Party, instead of putting the Venezuelans in court, allowed the Venezuelans to put the Government in court, and paid out large sums of money, but the stone structures were left there to be completed.

Sir, 13 years after, this Government is now telling Barbadians not to go forward but to go backwards, stone structures are not good for them, and they should now return to chattel structures.

Sir, to prove that they are serious about it, they have now brought this Fund to finance chattel and oppose stone structures in this country, a regressive step. Sir, what is even worse, I know for a fact that the Honourable Member for Christ Church South does not support it, because the Honourable Member for Christ Church South would never support a move that would interfere with the interest at the Cement Plant, because the Honourable Member understands the contribution of the Cement Plant to Barbados.

Asides.

Mr. D. St.E. KELLMAN: I do not know, Sir, if that is correct, two constituents. I do not know if there is some plan afoot for the Cement Plant and if it is so, let us know the position, because previously we used to have concrete roads. We do not hear about them anymore. At least, I was in here long enough to hear the Barbados Labour Party speaking about concrete roads, saying, that if you want to know about concrete roads, go down by the Ministry of Trade down Fontabelle. We built the first. Sir, that Member cannot be in here today, to support concrete structures for the constituents.

The Barbados Labour Party is supporting chattel and the social engineer on the backbench is supporting it, as well. Mr. Deputy Speaker, I am surprised with the social engineer on the backbench.

Asides.

Mr. D. St.E. KELLMAN: The other one, because they are two...I could not believe my ears, when the social engineer did not realise that, as soon as you get in bed with chattel, you are creating slums for the masses of people in the country, and when you do concrete, you delay the slums.

I could not believe my ears when I heard the social engineer defending chattel houses, as opposed to stone houses. I understand that the social engineer was thinking short term and not long term, which is not normal for the social engineer.

Mr. C.A. MASCOLL: Mr. Deputy Speaker, on a point of order. I think that the Honourable Member for St. Lucy is starting to mislead the House on this matter. The first thing is that this policy was born out of research. It was discovered that there are 83 000 occupied dwelling units and there were 33 000 wooden structures or wood and wall. Sir, the thing is that if you come now to determine that you should no longer cover only chattel houses, you have to make a determination, as to what contribution should be paid by the workers of Barbados to this Fund, because it would have been done out of research.

I am suggesting, Mr. Deputy Speaker, that if we now expand the scope and coverage of the Fund, we would have to think in terms of whether or not we would only be able to charge 0.1 per cent of the National Insurance Scheme or 1/1000 of the income of an individual.

House 124, sequence 45, 18:30:45

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Hon. C. A. MASCOLL: Mr. Deputy Speaker, I am surprised, I must confess, by the way in which the Opposition has supported this initiative to the extent where they are suggesting wider coverage, and there is some merit, but we have to recognise that this fund is based on a benefit principle. Therefore, to the extent that you are seeking to widen the coverage, it means it may have implications for the contribution of the worker to the Fund. That is the point I want to make, Mr. Deputy Speaker.

Mr. DEPUTY SPEAKER: Proceed, Honourable Member.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, you know that I always welcome these points of order for the simple reason that they allow me to correct...

Asides.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, do not let anyone fool you, there is no problem in financing this particular fund, so let us take this point about financing and shortage of funds out of the way.

Mr. Deputy Speaker, the Minister of Finance needs to refund the money taken from the workers of Barbados on this particular fund. Mr. Deputy Speaker, you know and I know that the Minister of Finance has to make a decision within a couple of days on the bond rate and the cess rate. I am saying that it would have been better if the Minister of Finance had used some of that money to finance this fund considering...

Hon. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, an insurance scheme or fund is different

from the imposition of tax, in that there is a benefit associated with the payment of NIS. Therefore, if you are suggesting that a person who would receive this benefit is not going to be called upon to make a contribution, you initially compromise the fund.

I am therefore suggesting that the position was taken that even though you are targeting persons below the income tax threshold at \$22 500 that you are still going to ask those persons to make a contribution to the fund, and in that respect you have to use the NIS route, which is based on a benefit principle.

I am suggesting therefore that you could not have replaced the means by which this Catastrophe Fund is being funded with the use of a bond rate, because the bond rate is a tax on imports more so than on anything else, and therefore would not constitute the same kind of principle.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, the Honourable Member for St. Michael North West knows to whom he is speaking. The Honourable Member knows that everybody in Barbados pays the bond rate and the cess, and that everybody would also pay this contribution. Mr. Deputy Speaker, instead of putting another imposition to take it off later, like the one that they claim they have to remove, all they are doing is transferring that money that the Government has in its hands already and know how to control it, over to a fund called the Catastrophe Fund, and then if they want to give back the rest, they could give back the rest.

Mr. Deputy Speaker, the Honourable Member is not only an economist, he also understands accounts. Sir, if that point had come from somebody else, I would have forgiven that person, but I cannot forgive the Honourable Member because the Fund calls for \$2.5 million, which we know is unreasonable.

Mr. Deputy Speaker, when one reads in the newspaper about the number of chattel houses that are being burnt, one would know that \$2.5 million in any particular year would not be enough. Therefore, this fund would create some headaches for Government, which I would not get involved in at this time.

Hon. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, the Honourable Member seems to be suggesting that the Fund should take more than \$2.5 million. Sir, if that is to be so, then it would have to come from some source. Therefore, the Honourable Member seems to be suggesting that you should increase taxes or maintain a tax that is supposed to be removed to satisfy the funding for the Catastrophe Fund.

Mr. Deputy Speaker, I am surprised at the position of the Honourable Member for St. Lucy, who seems

willing to increase taxation or to maintain a tax that would be abolished for the sake of the Fund, which is contrary to all that he has been saying over the years.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, I can now understand why the person who is well-trained in “Kellmanonics” would not understand that what he is imposing is a direct tax, but what I am proposing is the opposite of that; removing the direct tax and taking some of the indirect taxation and putting it in the Fund. I cannot understand why it is so difficult for my learned friend.

Hon. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, in my initial presentation I suggested that this policy is future fiscal policy for Government. I am saying that the Government has embarked on a path of removing or reducing taxation and that in the future we would have targeted expenditure and taxation for which there is a benefit to be derived. This is in fact consistent with that position.

Mr. Deputy Speaker, I am not so sure why the Honourable Member for St. Lucy would wish to retain a bond rate that people are suggesting has caused prices in Barbados to increase.

Mr. D. St.E. KELLMAN: I am a bit surprised that the Honourable Member does not understand the retention of the bond rate.

Mr. Deputy Speaker, if you go back to the newspapers of Barbados you would have recognised that this Honourable Member even opposed his own leader on the removal of the bond rate and the cess rate. Sir, I cannot believe that this Honourable Member has had a change of heart without making reference to the newspapers of this country. This Honourable Member has now accepted the view of the Prime Minister against his view, which I thought made sense because the Honourable Member understood the inflationary trends that would be created if we were to remove the bond rate and the cess rate, so I am a bit surprised that the Honourable Member would make a point like that.

Hon. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, again, the imposition of an indirect tax does not cause inflation, it causes a one-off increase in prices.

Mr. Deputy Speaker, when you introduce any form of indirect taxation, there would immediately be a spike in the price level but then it would flatten out thereafter because there is no change in the rate.

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

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, I never spoke about direct taxes. I said that when the cess and the bond rate are removed, that more disposable income would be there for purchasing foreign goods. Sir, I am surprised to see that the Honourable Member for St. Michael North West would want to see foreign goods having an advantage over local goods because he knows quite well that once the bond rate and the cess rate are removed, that foreign goods would be cheaper and it would have a negative effect on the manufacturing and the employment indicators of Barbados.

Mr. Deputy Speaker, I am a bit surprised that the Honourable Member would support a policy like that.

Hon. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, there is a price to be paid for the imposition of a bond rate. Sir, even though you are seeking to offer protection to your local manufacturing or agricultural sector, it comes at a price. The thing is that we must recognise sooner rather than later that manufacturers in Barbados cannot compete, at the level of price and therefore it may be more important to consider offering them other kinds of income transfers that would allow them to produce a quality product that would better be able to compete rather than seek to offer protection by way of price that would not guarantee them any protection whatsoever because the bond rate would have to be so high or the imposition of indirect taxation would have to be so high, as to totally exclude the product. I am therefore suggesting that a route that looks at the fact that price is not the only factor in determining demand may safely consider offering quality to local manufacturers as a means of offsetting any such competition.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, I am glad that I finally got the Honourable Member for St. Michael North West to agree with the position put by me when the bond rates were introduced. Sir, the records of the House would show that I said that it should not have been a revenue measure, but that the revenue from the measure should have been used to prop up those agencies that you claim that you were helping. Sir, I am very glad that the Honourable Member is now saying that income transfers can be used to help them. That is why I am saying that the Honourable Member has agreed with me, and I agree with him.

Asides.

House 124 Sequence 46

6.40 p.m.

Tuesday, February 13, 2007

Hon. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, there is no shame. In fact, I have always respected the view of the Honourable Member for St. Lucy. Sir, if, indeed, the Honourable Member is suggesting that I have now reached the stage of understanding his interpretation of the policy, where it is preferable to use income transfers as a means of giving direct subsidy or allowing manufacturers, as a means of giving better quality products, I can live with that. Therefore, I have no difficulty in the position the Honourable Member is now espousing, even though he said that it has taken me a number of years before I could arrive at it. It is not true, but I have no difficulty in agreeing with him on this matter.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, I apologise to the Honourable Member for saying that it has taken him a number of years before he could recognise it. I did not know that the Honourable Member had known it all along, but did not want to admit it. Sir, I am very grateful that the Honourable Member has used this occasion to admit it.

Mr. Deputy Speaker, there is no doubt we are now at a level of discussion in this country, where we have to be very careful when we make these decisions, that we make those decisions in the interest of all. Sir, there is no doubt that the bond rate and cess should be used to prop up the tourism, manufacturing and agriculture industries. Sir, it is from those industries that we earn foreign exchange.

Asides.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, the Honourable Member for St. James Central said that to give the persons in the manufacturing, agriculture and tourism industries income transfers would be irrelevant.

Asides.

Hon. K. D. SYMMONDS: On a point of order. Mr. Deputy Speaker, the Honourable Member is misleading this Honourable House. Sir, I have not spoken in this House, since I have made my submission prior to the luncheon interval.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, you cannot hear asides, I can, that is why it is my job to inform you, when I am being interrupted.

Mr. Deputy Speaker, there is no doubt that this Government has also made a very serious admission today. This Government has admitted that it has made a serious error, when it sold the Insurance Corporation of Barbados. If Government had not sold the Insurance Corporation of Barbados, they would now be able to use that corporation as a vehicle, to insure the chattel houses of Barbados. Government would also be able to use some of the money

that it would have used in repairing those chattel houses, as an insurance policy to cover the losses of those houses. Government would also be able to direct that policy.

Hon. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, the Honourable Member is misleading this Honourable House. It is well-known that the items identified under "catastrophe", such as lightning, floods or a sea surge, have never been accepted by insurance companies for coverage. Therefore, to suggest that the Insurance Corporation of Barbados would have covered the chattel houses for these kinds of events, is misleading. Sir, we all know of cases where we have chattel houses bolted to the wall foundation, the only insurance given is that of fire insurance, as the protection against risk for chattel house.

Mr. DEPUTY SPEAKER: Please proceed, Honourable Member.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, I am a bit surprised by that point. If the Insurance Corporation of Barbados were owned by Government and Government could not have policy to deal with it, it would, therefore, mean that I cannot trust this funding. What it tells me is that the same persons, who would normally serve on the Board of the Insurance Corporation of Barbados, would now be the same persons serving on the board of this Fund. It would, therefore, mean that the same persons would not cover the same things the Honourable Member said would not be covered at the Insurance Corporation of Barbados.

Mr. Deputy Speaker, Government sets policy and therefore the directors must follow those policies.

Hon. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, to expect that the Insurance Corporation of Barbados would only cover these kinds of risk because it is Government, is to suggest that it is not functioning in accordance with the market, neither would it be functioning on the basis of making a profit. Therefore, to suggest that Government could impose a policy of coverage for chattel houses, only based on the desire of Government to offer a social good, in an instance where Government would be competing in a competitive market, would be inappropriate advice on the part of Government.

Mr. DEPUTY SPEAKER: Proceed, Honourable Member.

Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, what the Honourable Member seems to be saying is that when the Barbados National Bank financed the sugar industry, knowing that it was going to make losses, that it was inappropriate for the Directors put there by the Government of Barbados and that it was also inappropriate for

Government to finance the sugar industry. Mr. Deputy Speaker, I thank you.

Mr. R. D. MARSHALL: Mr. Deputy Speaker, I join this debate to support this Bill, which has been brought by the Honourable Member for St. Michael North West, the Minister of State in the Ministry of Finance.

Mr. Deputy Speaker, there was some talk concerning chattel houses, as opposed to wall structures. What I know about chattel is that it is movable. Sir, over the years, on the plantation land, as well as on the tenantry land in urban St. Michael, people rented land, in order to put what was known as a chattel or a wooden house. Sir, in most cases, these were houses built without any kind of ground-sill around them, that is why you would sometimes find that people, who are inquiring about insurance for chattel houses, would only get insurance of a fire nature and not of a flood nature because of the risks to which it would be exposed.

Mr. Deputy Speaker, it was mentioned in here today that insurance companies do not offer insurance for chattel house but I would want to say that, over the years, insurance companies in Barbados have been offering insurance to persons with chattel houses.

Asides.

Mr. R. D. MARSHALL: Mr. Deputy Speaker, if the house does not have a ground-sill, persons could only get fire insurance. At the same time, that house must be one of good standing, not an old, 'dropping-down' house, because the insurance companies are in business to make money. They cannot do what is known as "selling guns to the Indians". They are not going to sell somebody something to use against them.

Mr. Deputy Speaker, most people work hard and invest their money in a house. Sir, in a lifetime, there are some people who only manage to own one house. There are some persons, who have money to invest, who would be able to invest in houses. Sir, you would know that real estate is the best hedge against inflation and it is there that you would get most out of your money. When people are putting their money in a bank and getting 3 per cent or 4 per cent return on their money, they can take that money and invest into what is called income-producing property.

Mr. Deputy Speaker, people can obtain insurance in Barbados for chattel houses for about \$1 per day. If you insure a house for \$50 000 in coverage, you would pay between \$350 and \$400 a year for insurance. It would mean you are spending \$1 per day for insurance coverage. Sir, when one borrows money from the bank to build a two-bedroom or three-bedroom wooden house, to have that house insured would be for about \$75 000 and no more.

6.50 p.m.

Tuesday, February 13, 2007

(EDITED)

Mr. R.D. MARSHALL: Mr. Deputy Speaker, there are persons in Barbados, who are very concerned about paying insurance over the years and they say that, at the end of the day, they do not get back anything. You do not get what is known as a "no claim bonus". If you insure your motorcar, you do not have an accident in a given year, you are given a credit from the insurance company for not being a risk. You are not making claims from the company, hence you get what is known as a "no claim bonus" and your premium for the following year is reduced by a certain amount of money. Where you have the insurance of property, I do not know of any insurance company that would offer a "no claim bonus" on property insurance.

Mr. Deputy Speaker, some people refuse to insure their houses because they claim to have been insuring their house for a number of years, nothing has happened and they believe it is money wasted but, Sir, you do not know when the hazard is going to come, when you are going to have a storm, a hurricane or a fire. Mr. Deputy Speaker, sometimes a fire starts three or four houses from your house and there is a chain reaction where three houses or four houses are taken away by that fire. Sir, people believe that nothing has happened and that they should not insure their homes.

Mr. Deputy Speaker, if you have a mortgage on the house, most banks and credit unions will ask you to have some kind of insurance policy in order to protect the risk involved therein, so that if the house is destroyed by fire, they know their money will be safe. If you buy an appliance from Courts (Barbados) Limited, a seller of appliances, you are covered under a blanket policy, therefore, if you buy a fridge on hire purchase and there is a fire at your house and the fridge is destroyed, your payments cease because you are covered under a blanket insurance coverage.

Mr. Deputy Speaker, the Honourable Member for St. Andrew and the Honourable Member for Christ Church East Central paid much attention to chattel and wall. Sir, in St. Michael West Central there are a lot of structures, which are wood and wall and there is some contention with Honourable Members on the Government side and the Opposition side, where chattel and wall is concerned. Sir, it makes sense to me because there are structures, which may be value \$75 000 or \$80 000 but they are wall structures. If there are wall structures and there is a catastrophe, Sir, because they are all wall and not considered chattel, you find yourself up duck's pond so, I would hope that we pay some attention to that.

Mr. Deputy Speaker, what we are embarking, as a Government, on attempting to sell these units to persons. Some of those units are being offered at \$5 000, \$9 000 and \$17 000 to persons. Sir, they are wall structures but do not fit into chattel and are not covered under the legislation.

Mr. Deputy Speaker, we have to pay attention to this. The Honourable Member for St. Michael North West has a large number of these persons in housing areas and I hope that some attention would be paid to this. I also have a number of them in the Grazettes Housing Area, as well as the Honourable Member for St. Michael North and the Honourable Member for Christ Church East Central might have some units in his constituency and we have to look at these things. Sir, although chattel is a wooden structure, which is movable and has no groundsel, I hope that we could say that we are talking about a structure, wall or wood, with the maximum price of \$125 000.

Mr. Deputy Speaker, the Honourable Member for St. Michael North spoke about not being able to have units conveyed to persons from the National Housing Corporation. I want to mention the disparity in price. We heard that the older units are being offered to persons at cheaper price and that the longer you lived in the units, the cheaper is the price. I know that in the Pine, that units are being offered at \$5 000 but in Grazettes, people who have been living in those areas just as long are being asked to pay \$17 000 for the unit, as against the \$5 000 being paid in the Pine Housing Area. I hope that National Housing Corporation can look at this disparity and let the representative, be it on the Government side or the Opposition side, know exactly why the price is like that, so that we can talk to our constituents and bring them up to date where this matter is concerned.

Mr. Deputy Speaker, this Bill is really for those persons, who cannot afford and, Sir, I am talking about poor persons. This Government has a social responsibility to the people of Barbados and this Bill targets those people at the lower end, persons who cannot afford because of their socioeconomic background and their income.

Mr. Deputy Speaker, I would say that it is a good piece of legislation, well thought out by this Government, especially the Honourable Member for St. Michael North West, who has brought some talent to this Government.

Mr. Deputy Speaker, I want to mention a few things. Recently, there has been some talk and criticism about what is taking place in the environs of Kensington Oval. I remember the Prime Minister of this country saying that when a new project is taking place, if there is a slum area around it or if there are houses in a bad state of disrepair, that those areas should be brought up to standard and that the entity putting in place the new structure should be responsible for putting funding to make the area around it a

habitable area. One would remember that the Central Bank of Barbados, in Church Street, that the Government decided that area should be rehabilitated.

Mr. Deputy Speaker, the Honourable Member for St. Michael West also started a programme to look at the area of Country Road, behind the Insurance Corporation of Barbados building. I know some kind of work is going to be done there also and recently, we had some hullabaloo about Kensington Oval. First let me say that this is also one of those projects. There is also talk about a named candidate for the Barbados Labour Party being given some position but let me say that the person, who is known to us as the Colonel, is a consultant on security matters in relation to World Cup, that he is not managing any project, that is not the coordinator of any project, that he is employed by the World Cup, that he is not being given any salary from the Consolidated Fund and that he is not attached to any Ministry.

Mr. Deputy Speaker, there is also talk about his being employed and that he is in a better position than the candidate of the Democratic Labour Party. Sir, this is nothing new. We are going to get people from Democratic Labour Party in here, as well as from outside, calling to give the impression that the Barbados Labour Party has done something immoral.

Mr. Deputy Speaker, I remember that Carmichael, who ran for the Democratic Labour Party, was the Chairman of the National Conservation Commission and that he was in a position as Chairman and as a candidate, which was a good thing, because in his capacity he was able to find work for people around the City.

H142/19:00

Sequence 48

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Mr. R.D. MARSHALL: Sir, I know people personally from Green Park Lane, Sobers Lane and Mahogany Lane, who benefitted from Mr. Carmichael, while he was Chairman. It was a good, because they got work. Sir, any politician or would-be politician worth his salt, would try somehow to make sure that people get work and have better lives. There is nothing wrong with that.

I remember "Ginger Bourne" who worked at Insurance Corporation of Barbados, in the office, he was a candidate, and when he won for Christ Church East, I think it was, he remained in his job after the election. These are things that happen all the time.

Sir, I can understand when a Party is in Opposition for twelve years, they would agonise, because they have

not done anything for the people to return them to office. We have been in power for twelve years and we are doing quite well. Sir, we were not in office for twelve years and we were able to bring programmes. The Urban Development Commission, repaired and painted houses, built new houses and added baths onto houses for poor people and persons sixty-five years or older. Sir, we have a Poverty Alleviation Fund in place to help people who cannot help themselves.

Sir, we came to office and are doing things. Every day on the call-in programmes people, who should know better, those people who call in on the programmes, that were in power under the Democratic Labour Party Government, prior to 1994, never made noise about it. They never said that they were wrong. They are saying that everything this Government is doing is wrong. This Government is only empowering people and giving them a better standard of living.

Sir, we have put in place a programme under the Freehold Tenantry Purchase Act, where people can purchase land at \$2.50 a square foot, and this is currently happening in St. Michael West Central, Gibbs Land, Simmons Land and Murrays Land, where people in the process of purchasing land at \$2.50 per square foot; Griffiths Land is completed and Crichlow land is will be done soon. There are several areas that will be done.

I would like to know that we can have the support of the Opposition Democratic Labour Party when we do something that would make people's lives better. Sir, they have this notion that we are doing something wrong, and when they get back in power, probably in 2040, they would do better.

Sir, I believe that this Government has brought legislation to Parliament today, and it is a good Bill. I have given it my heartiest support.

I thank you.

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

Rev.J.J.S. ATHERLEY: Mr. Deputy Speaker, I do not think that I should let this debate come to a close, and this Bill be passed in this Honourable House without making some remarks, which I think are pertinent to the issue. I represent St. Michael West, a constituency which is largely populated by people who live in chattel houses, that is the experience they have lived for many years, and that is the experience they continue to live.

Sir, today, the chattel property, and especially that occupied by the working class and poorer sections of our society in Barbados, largely make up the constituency,

which I represent. Mr. Deputy Speaker, you will find them all across Richmond, Manning Land, Garden Land, Hindsbury Road, Goodland and Parris Gap. Therefore, this is of tremendous importance to the people of St. Michael West. On their behalf, I would want to take the opportunity to record my support of this initiative, which is being brought through the process in this Chamber today, and I do so loudly and gladly.

Sir, I believe that Government policy, when Government functions on behalf of the people, that policy must be largely concerned with the protection of and the provision for, especially the poorer elements in our society and national community. This, to me, is the *raison d'être* for the Ministry of Social Transformation. Certainly the *raison d'être* for the existence of the Urban Development Commission and the Rural Development Commission. The Rural Development Commission focuses on the northern parts of Barbados. It is the *raison d'être* for the welfare system and the welfare policy nets, which we have in place, effectively so in this country, for a long time.

Sir, it is the *raison d'être*, for the existence of the Poverty Alleviation Fund, because we recognise that Government has, principally among its functions and duty, an obligation to ensure that those who cannot, in spite of the good economic circumstances existing around them, help themselves, therefore they need the helping hand of the State, and they need to draw from the public purse, as funded by those in the society who are better off.

Sir, from this perspective, therefore, I support this initiative. I believe it is very much in the vein of what Government has been doing for several years, a programme which is now being intensified, which is of particular importance to the residents of St. Michael West. Sir, this programme deals with the subsidy which Government has given, through the purchase of land in urban tenancies in Barbados, where people, who for many years, having lived on tenantry spots as tenants, paying rent to landlords, now have the privilege of coming into ownership, because the Government is facilitating their access to ownership of that land, by significantly subsidising the cost of that land, so that owners are not deprived, but tenants of longstanding are significantly helped and brought into ownership.

Sir, this initiative of the Catastrophe Fund, I believe is to be seen in that vein. It is the type of action, which signals that Government is not only conscious of, but willing and effectively able to put in place the type of mechanism which at least starts to make a meaningful response to their particular circumstances.

I see this also in the same vein as the reversed tax credit, which Government has employed for some time, which targets, again, the poorer in our communities in the face of rising cost, from time to time, associated with living

experience, in the face of pressure from the imposition of taxes, which most Governments feel compelled to do. Sir, even in spite of our situation, where the policy has been one of reducing the level of taxes, there are those who must be further helped, by the provision of a reversed tax credit. Sir, I see this, therefore, as cast in a similar vein.

Sir, it is also cast a similar vein as what Government intends to achieve, by means of its policies of the tax reductions on personal income, which we have seen in the last several years, move from \$13 000, \$15 000, \$17 000, \$20 000 and up to \$25 000 now. Therefore, this substantial reduction must be seen in the same vein.

Sir, people who occupy chattel houses, in Barbados, indeed, as all of us do, but, perhaps, they more so, face the immediate reality on a daily basis, of the threat of fire, the threat which may come by the force of water, and seasonally, perhaps, the threat which comes by the force of wind. These are all acts of nature which threaten. The reality sometimes is just that, a reality, and goes beyond the point of a threat, but persons have to live through catastrophic circumstances, not having been in a position to prepare for such calamities, they are left to even further tragedy in the wake of such events. Therefore this initiative is meant to address that type of situation, I think is worthy of my support.

Sir, the poor, perhaps, beyond everybody else, finds that the burden more so falls on them. I have been doing some reading on this subject, and, perhaps, it is not appalling, in today's terms, when one recognises that in the context of developing countries and on an annual basis, the cost associated with catastrophe amounts to approximately US\$30 billion. That is US\$30 billion in damage caused by catastrophes across the developing world.

19.10 p.m.

Sequence 49

Tuesday, February 13, 2007

House 124, sequence 50, 7.10 p.m.

Rev. J.J.S. ATHERLEY: Whereas, we in this part of the world may not face catastrophes of such magnitude, as may be represented in that type of figure, certainly persons in other developing countries of this world, know what it is like, when the forces of nature wreak havoc upon the landscape, and persons are left to the experience of mass misery, in their wake.

Sir, we can talk about the mass misery and we can count the cost, but at the end of the day, and in our local, regional, and domestic circumstance, a Government worth its salt and wanting to make sure that it fulfills what is

among its principal obligations, would want to make sure that it is in a position to respond, in some meaningful way, and to help persons who are faced with such a situation.

Beyond that, Mr. Deputy Speaker, less than 5 per cent of the cost of catastrophes in developing countries is absorbed by insurance, compared to more than 50 per cent in developed countries. The point I am trying to make is that whereas developed countries may treat to this issue in certain ways, in the context of the developing country, where less than 5 per cent of that is addressed by reference to insurance, then the State must come to the table and become a major player, in seeking to respond to that type of circumstance. Mr. Deputy Speaker, this is essentially where I am coming from today.

Now, poverty eradication or poverty alleviation is about addressing the socioeconomic dynamics, which conduce the circumstance of poverty to deprivation and marginalisation. We have been engaged in that, as a Government and as a country, for quite some time.

In the last 12 years or more, it has been given greater prominence by the deliberate platform of the Barbados Labour Party Government, and espoused and embodied in the policies as represented through - on the front line - the Ministry of Social Transformation, but certainly, not restricted to that Ministry.

Therefore, the effort to address socioeconomic factors, dynamics which conduce to marginalisation and deprivation and the lot of misery which some, by force, made to suffer is being addressed by Government.

Mr. Deputy Speaker, this is why the policy of this Government is that vendors must be helped, in that responding to issues dealing with vendors, must go beyond political posturing, on the part of either side. Sir, small loans must be made available to people, and the small business sector in Barbados must be brought to a greater level of viability. Sir, by doing things like these, you are responding to marginalisation, deprivation and poverty, which are induced by the socioeconomic circumstance.

The point beyond that I am trying to make, Mr. Deputy Speaker, is that sometimes the preventive action is necessary. I see again this initiative being intended to be of a preventive nature in that sudden, severe, catastrophic circumstances may themselves also induce poverty to persons, who may have escaped the snare of poverty, because the other dynamics did not apply to them, but a sudden severe impact of national disaster, catastrophic circumstance, could leave formerly fairly well-off, or comfortable people, in a circumstance where they are facing poverty. Therefore, this initiative arises out of a sense of such circumstances, and the need to address it. It is therefore in that regard, perhaps, a preventive measure to

stop people who otherwise and without that, may find themselves sliding into poverty because of some unexpected occurrence in their lives.

Mr. Deputy Speaker, before I sit, I want to suggest that we must also, as a country and a Government, address the issue of vulnerability. Nationally, we are very vulnerable, seasonally, to the impact of natural disaster, storm, hurricane, movement of the sea and movement of tides.

Sir, perhaps in a more localised context, we are exposed from day to day, because of the dense population centres, especially in urban Barbados, where there is always the threat. There is the vulnerability to the hazard of fire and other such hazards. Therefore, vulnerability reduction, must also be always an objective of the Government.

I say that because I want to applaud where the disaster management focussed in Barbados, is being directed at this time, and to highlight the aspect of comprehensive disaster management. Sir, this does not only speak to matters of relief but to issues of prevention, mitigation and addressing vulnerability, at the level of the community but in the wider scale, of the national community.

A focus on comprehensive disaster management, approaches it from a multi-discipline perspective, appreciates it from a multisectorial point of view, and brings to bear, the resources of the State to address matters, not only of relief, as we have in the past, through a central emergency organisation but from a perspective of prevention, assessment of vulnerability, and mitigation. It cuts across, not only all disciplines but all sectors, whether we are talking about an agricultural sector, a housing sector, or other sectors, which are critical to our survival and our comfort, as a national community, then comprehensive disaster management addresses that. This now is a focus, as I understand it.

Mr. Deputy Speaker, more than 50 per cent of those insured losses in Jamaica, in the wake of Hurricane Gilbert, in the late 1980s, related to dwelling houses. This is quite suggestive of the fact that the winds of this system, wreaked havoc among the private dwellings of more than half the population of Jamaica.

We saw a similar thing, to a larger extent, when Ivan impacted Grenada. Barbados has not, in recent years, been exposed immediately to the fury of such systems. The point I am trying to make is that with the volume of our chattel house dwellings in Barbados, one can only imagine that if we are impacted by winds of such fury, then the losses which we would be recognising in our instance, would be equivalent to that which Jamaica experienced after Gilbert,

in that, more than half of our losses to be repaired and addressed, would be associated with damage to dwelling houses.

The point being, it is my view that not only must we provide this type of mechanism to help people to get back on their feet, but we must be more imaginative, creative and compelling, in how we further create the culture on industry of building in Barbados. Sir, dwellings must be made to be more secure and the Government must find more creative, imagining and compelling ways of bringing our people to the point, where in terms of construction of dwellings, we are doing so with an understanding that we have to build against the day when we are visited by such fury, and potential catastrophe.

Sir, capacity to build better, must be afforded to our people. Our debate still very much revolves around the capacity to build. I am saying that we have to be concerned about people's capacity to build, but we also have to be concerned about people's capacity to build better, than we have been building in the past.

House 124, sequence 50, 19:20:14

Tuesday, February 13, 2007

Rev. J. J. S. ATHERLEY: Mr. Deputy Speaker, I believe that these things are significant. I also believe that private insurance must always be the first line of protection against risk or in the face of risk. We understand, from the Honourable Member for St. Michael West Central, that private insurance is very much in play with chattel house properties and insuring against loss in Barbados. That is not a belief, which is popularly held, but I accept that as coming from one who is very schooled in the business of insurance matters.

Mr. Deputy Speaker, at the end of the day, insurance is about risk assessment and the risk into which a private interest insurance company would embark and engage itself. They must find that it must in some ways be commensurate with bottom line returns and the notion of bottom line returns. In other words, the risk is examined and assessed. Therefore, if the bottom line suggests that this is risk that we could take on, then we take that on.

Mr. Deputy Speaker, we come to that discussion in a context where we have a large population of chattel houses that are quite dense, and therefore the sense of risk is heightened not only with respect to potential seasonal visitors across the ocean but with respect to fire and damage, which could be occasioned by floods, heavy rains and things like that. Therefore, the risk is real and in some instances very immediate in a context where there are many wooden houses across the landscape, especially in urban Barbados, which are quite densely located one to the

other. Therefore, private interest insurance companies would look upon that situation as a very serious risk situation.

Mr. Deputy Speaker, when you come to the value attached to homes and the rebuilding of chattel houses, and you work out the equation, and the bottom line is not a sufficiently appealing bottom line, then of course insurance coverage is going to decline. Hence, there would always be, and there is, as being suggested by this measure brought here by the Honourable Member for St. Michael North West, the need for the State to intervene, as it does in many instances, in the socio-economic context of Barbadian life.

Our historical approach has to be that we have been very reactive, and so the slight brush that we may experience as a result of the close passage of systems, like Hurricanes Emily, Lily and Ivan, would cause us to pause and to reflect what if it had passed over here and what if what happened in Grenada in 2004, were to happen here in Barbados.

Sir, the response is reactive because of circumstances to which I have already alluded. We lose many roofs and houses are damaged and then there is a very reactive initiative taken in that we mobilise our human resources, the Barbados Defence Force, the Ministry of Public Works and Transport, the Ministry of Social Transformation and everybody because a system has passed that caused some damage. We would also mobilise economic and financial resources, and so we make recourse to a small contingency fund which is there in the event that something happens and we lose a few of the housing stock in Barbados and then we would have to come for an emergency supplementary here in Parliament to help repair houses. To do this, we would create a situation of uncertainty and a situation where people misrepresent their circumstances and associate it with the passing of that system, and people are left out inadvertently and unfortunately and then the question of partisanship is raised in the midst of that kind of tragic situation.

This is not the best way to deal with these matters, Mr. Deputy Speaker, and I therefore see this measure as an attempt to move away from simply being reactive to these kinds of situations and become proactive and to provide for circumstances, which are unexpected but which we know, in terms of the reality of the threat, would one day move beyond threat and become a reality for many.

Government therefore is seeking to provide for those types of circumstances. As I said earlier, I represent a constituency, which has perhaps over 80 per cent chattel house dwelling, and therefore this strikes at the heart of life in the communities of St. Michael West, and I would want to support it fully.

Hon. C. A. MASCOLL: Mr. Deputy Speaker, we have had a long but engaging debate, so I will try as swiftly as I can to respond to some of the concerns raised. A catastrophe cannot mean only large occurrences or events. A single house fire could constitute a catastrophe, so I want to get that out of the way.

Mr. Deputy Speaker, there were some very interesting things raised. Sir, I think we need to perhaps look, some time down the road, at the whole question of chattel houses, because you cannot formulate policy in a reactionary way, and I will explain what I mean by this. I spoke to the issue of consistency of public policy of Government. Sir, a very interesting point was raised, that it is possible that the National Housing Corporation units across the length and breadth of Barbados may in fact be valued at less than \$125 000, we all accept that. Therefore, we understand that the National Housing Corporation units are predominately out of concrete.

Asides.

Hon. C. A. MASCOLL: Mr. Deputy Speaker, one could complicate it, that is why I am saying that we need to look at it some time down the road, because it is going to be difficult to look at it now, and I will tell you why. Sir, the criteria that we have established not only relates to the value of the house but also to the income earned by the owner of the house. Mr. Deputy Speaker, in Deacons Farm, it may be quite possible to have on any block, all units valued at the same price, but the owneroccupier may earn, in one instance less than \$22 500, and in some instances may earn \$30 000, or \$40 000 per year. Mr. Deputy Speaker, in the event of a catastrophe, how do you determine that Block 1A would get access to such funds but Block 1C because of the owner's income is not able to access the fund.

Asides.

Hon. C. A. MASCOLL: Mr. Deputy Speaker, in actual fact, even though each and every house on the block is valued the same and comes within the criteria of \$125 000, the owneroccupier may, as in some instances, be a manager at some place and the other fellow may be a maid. Therefore, I am saying that in accordance with this legislation, to alter the legislation to satisfy that individual is going to complicate it, so we need to reconsider it perhaps some time down the road, but to do that now would be difficult.

Mr. Deputy Speaker, the legislation does say that in order to have access, the house must be valued at \$125 000 or less, but also the owneroccupier must earn \$22 500 per year, but many owneroccupiers in these units may earn much more than \$22 500 per year. The difficulty is how do you now reconcile, in the event of a tragedy or a

catastrophe, telling the person at Block 1B that Block 1A qualifies for the Catastrophe Fund, but they do not. Asides.

Hon. C. A. MASCOLL: It complicates the matter. Therefore, I am saying that for us to address that now may in fact require us to look deeply...

Asides.

House 124 Sequence 51

7.30 p.m.

Tuesday, February 13, 2007

Mr. R. D. MARSHALL: On a point of order, Mr. Deputy Speaker, the point we are talking about is the concern of changing the chattel-and-wall house and not about income. I am saying that a wall-and-wooden house should be called a house, instead of being called chattel.

Hon. C. A. MASCOLL: Mr. Deputy Speaker, I am saying there are two specific criteria in this legislation; one relates to the value of the house, \$125 000 or less, and the other relates to the income earned by the owner/occupier. Therefore, I am saying to you, when you come to look at this matter in a comprehensive way, it is going to create other combinations and permutations for the policy makers to decided upon; that is, Government's attempt to give greater economic democracy to a wider cross-section of Barbadians to own homes in the Deacons Farm, Rosemont or Eden Lodge areas, where they all satisfy the \$125 000 criteria for the value of the property, would now create another issue as it relates to the income of the owner/occupier. Therefore, reacting and responding to comments is not that simple.

Mr. Deputy Speaker, I accept the view in this Honourable Chamber today, that perhaps Government could look at the question of what constitutes a house, whether it should be chattel or concrete, that is valued at less than \$125 000. Therefore, we will look at that. I also want to say that again, in conceptualising this policy, the information that was provided would have been used to determine the contribution rate of individuals. Therefore, if we are thinking in terms of broadening the base of the coverage, then we have to think in terms of whether or not individuals might be asked to pay a greater contribution towards the Catastrophe Fund.

Mr. Deputy Speaker, I am suggesting that some very good points were raised but that they need to be considered in greater detail by a committee. I am not suggesting either that we go into committee, I am saying that this policy sought to deal with chattel houses. The issues have come up that there can be houses valued that might be considered

but I am saying it changes the whole policy matrix of what we had intended.

Mr. Deputy Speaker, the other issue is that we had an intervention from the Honourable Member for St. Andrew, about land slippage, which is again a very legitimate point but I am saying to you that the concern I would express with respect to that, is that all of the other things that constitute catastrophe, are things that may occur without notice. These things can either be a fire, an earthquake, a storm, a hurricane or flooding, but the question of land slippage is a more permanent issue, that is we know where it occurs.

Sir, I am suggesting that we may consider putting aside a special fund, to deal with the issues of land slippage in this country, but that these other events are events that are acts of nature that we really cannot anticipate, whereas land slippage, it is known in Barbados where it occurs. We know that the Scotland District and surrounding areas are, in fact, prone and therefore perhaps we need to consider having a special fund, to take care of that particular matter.

Mr. Deputy Speaker, the Honourable Member for St. Philip West talked about disposable income but I want to say that the amount that has been chosen, is, in itself, disposable income because it is income, minus taxation. I think that in making the point, my good friend might have confused the notion of after commitment income, that is you may have two households, but with different levels of commitment.

Asides.

Hon. C. A. MASCOLL: After its commitments, a particular household might not have much to spend, but how could you make a policy position that accounts for a household spending what it wants to spend but has no real cash or liquidity at the end of the month, and then to compare that same household, with a much lower income household, that happens to have a similar amount of liquidity.

Asides.

Hon. C. A. MASCOLL: Mr. Deputy Speaker, I am saying it is a question of priority, it is a question of vertical equity, versus horizontal equity. I cannot tell a householder, who is getting \$100 000, how much to spend, but it is possible that a household's income of \$100 000, may be equivalent in nature of \$50 000. But that has to do with commitments. What people confuse the disposable income with, is the actual commitments of a household. This is determined in a discretionary way; if you make an income and decide that you want to live a certain lifestyle, only to find that at the end of the month, you cannot put fuel in your car, that is not the responsibility of the

Government, that is for you to identify where you are going wrong, as a household. It could mean that you are living above your means. Disposable income is gross income, minus taxation, and therefore this \$22 500 is already disposable income. That is the point I want to make.

Mr. Deputy Speaker, the other issue is that of private participation. We have 33 000 households in Barbados, dwelling units that are wooden but only 25 per cent are insured. Sir, in all fairness, in each area of insurance, whether it is car or property insurance, I am telling you that an insurance company is going to divide its area of activity into separate components and decide whether or not that particular type of insurance is profitable. Sir, life insurance is profitable, therefore, in similar vein, insurance companies are going to treat chattel house insurance as a separate and distinct area of activity and make a determination about its profitability. A wooden house is not a wall house and a wall house is, in fact, going to be, in many ways, cheaper to insure than a wooden structure.

Secondly, it is also based on risk: a wooden house is going to burn easier than that of a wall house; a wooden house is more prone to lightning than a wall house; a wooden house is more prone to flooding and being pushed off its props than that of a wall house. All of the possible causes of a catastrophe, in fact, would apply more to a wooden structure than that of a wall structure. Therefore, the cost of insuring a wooden structure is going to be relatively more expensive than that of a wall structure, and insurance companies run from such risks.

Sir, notwithstanding what has been said in this Honourable Chamber, I think they have avoided getting involved extensively in the provision of insurance for wooden structures. Mr. Deputy Speaker, therefore, this private/public partnership that I am hearing about, if it had a profit opportunity in it for all these years, would have been grabbed up by the insurance companies. These companies are in the business of making money and not to make a Government look good, or to insure a house because Government wants it insured, private sector individuals look to make money, and that is their right. What is happening here, is that Government has recognised and is coming with a plan to look after that group of individuals.

7.40 p.m.

Tuesday, February 13, 2007

(EDITED)

Hon. C.A. MASCOLL: Sir, I am saying that the relative cost of insuring a wooden house is higher than a concrete house. The cost is higher because the risks are greater. Sir, when I say relative, I am not talking about

absolute, so if it costs you \$400 to insure a \$30 000 wooden house but it costs you \$500 to ensure a \$100 000 wall house, it is relatively more expensive.

Mr. Speaker, let me end by saying that, to my mind, it has been a very good debate. I see this as a real step forward in terms of taking care of the vulnerable in the society. I see it as being consistent with Government's overall policy and, I am happy to see that the Opposition, rather than fighting against notions of chattel house, in fact, wanted it to be expanded and included, and I think it has to be considered but I do not think that we do not have to now because we have to give this legislation a chance to operate because the viability of this Fund will be determined by its access and the capacity of this Fund to carry any such catastrophic occurrences in Barbados.

On the motion of Mr. C.A. MASCOLL, seconded by Hon. R. R. FARLEY, the House resolved itself into Committee, Mr. R. D. Marshall in the Chair.

COMMITTEE

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

Clause 1 was called and passed.

Clause 2 was called.

Mr. C.A. MASCOLL: Mr. Chairman, I want to make an amendment to Clause 2, to delete paragraphs (f) to (h) and substitute the following "(f) a storm surge (g) a sea surge (h) lightning (i) remains any other force of nature.

I beg to move that this amendment be accepted.

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

The question that Clause 2 be amended was put and resolved in the affirmation without division.

Clauses 3 to Clauses 6 were called and passed.

Clauses 7 to Clauses 10 were called and passed.

Clauses 10 to Clauses 13 were called and passed.

The Schedule became the Schedule to the Bill.

On the motion of Mr. C.A. MASCOLL, seconded by Hon. R. R. FARLEY, Mr. Chairman reported to His Honour, the DEPUTY SPEAKER, the passing of one Bill in Committee with amendment and Mr. DEPUTY SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Mr. C.A. MASCOLL, seconded by Hon. R. R. FARLEY, the Bill was read a third time, passed and cited as the Catastrophe Fund Act, 2007.

ADJOURNMENT

Hon. R. R. FARLEY: Mr. Deputy Speaker, this brings us to the end of Government Business for today. I beg to move that this House be adjourned until Tuesday, February 20, 2006, at 10.00 a.m.

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

The question that the House be adjourned until Tuesday, February 20, 2006 at 10.00 a.m. was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.

H142/19:50

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EDITORIAL NOTES — NOT PART OF THE REPORT

Prepared with the transcript; for checking against the recording and the Minutes.

EDITORIAL QUERIES

Points noted while preparing this report from the edited transcript. The text has not been altered except where stated.

Q1. Masthead. The session is not stated in the source, so no session line is printed.

Q2. Order No. 13, Hon. C. A. Mascoll's opening speech. Hon. C. A. Mascoll, speaking in the House, says 'Mr. President, let me say that, for me, this Bill constitutes future fiscal policies'. Printed as in the source.

Q3. Order No. 13, Dr. D. C. Estwick's speech, about 11.20 a.m.. The take-slip reference 'H124/11:20' is run into the end of a paragraph of Dr. D. C. Estwick's speech. Printed as in the source.

Q4. Suspension. Hon. R. R. Farley moved that the Sitting be suspended 'until 1.30 p.m.', but the procedural sentence records the question as suspension 'until 1.20 p.m.'. Printed as in the source.

Q5. Take-slip about 6.10 p.m.. One take-slip reads 'H142/18:10'; the other take-slips for this sitting are numbered House 124. Printed as in the source.

Q6. Debate headings. The source carries several '(EDITED)' headings within the debate, one of them with no closing bracket ('(EDITED)'). Printed as in the source.

Q7. Committee, Clause 2. The amendment to Clause 2 opens a quotation ('(f) a storm surge ... (i) remains any other force of nature.') that is not closed. Printed as in the source.

Q8. Committee, Clauses 7 to 13. The procedural lines read 'Clauses 7 to Clauses 10 were called and passed' and then 'Clauses 10 to Clauses 13 were called and passed', so Clause 10 appears twice. Printed as in the source.

Q9. Adjournment. Both the motion and the procedural sentence give the date of the next Sitting as 'Tuesday, February 20, 2006', which is presumably 2007. The procedural sentence also says that 'Mr. SPEAKER' adjourned the House, although the Deputy Speaker had resumed the Chair after Committee. Printed as in the source.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The House of Assembly met at 10.15 a.m. on Tuesday, 13th February, 2007, with Mr. Speaker in the Chair; prayers were taken by Reverend Canon Ivan Harewood. The Minutes of the Sitting of 6th February were confirmed. Hon. R. R. Farley laid the Annual Report of the Enterprise Growth Fund Limited for 2006, the Police (Amendment) Bill, 2007 was read a first time, and Standing Orders were suspended for the rest of the Sitting. The Leader of the Opposition, Mr. D. J. H. Thompson, nominated the Member for St. Philip West to fill a vacancy on the Public Account Committee.

Hon. C. A. Mascoll moved the second reading of the Catastrophe Fund Bill, 2007, which establishes a fund to give financial aid to low-income earners who own and occupy a chattel house valued at not more than \$125 000 when it is damaged or destroyed by a catastrophe. He described it as future fiscal policy, linked to the rise in the income tax threshold, said that only a quarter of chattel houses were insured, and explained that the \$125 000 limit matched the relief from property tax.

For the Opposition, Dr. D. C. Estwick objected to tying eligibility to the land tax threshold, argued that disposable income would be a fairer test than the value of a house and whether it was wood or wall, and said that the Fund should have been a backstop for private insurers, whose reinsurance money left Barbados. Hon. K. D. Symmonds noted that Barbados had over 33 000 chattel houses and spoke of the history of tenancies; he drew a point of order from Mr. R. D. Marshall. After the suspension, Hon. G. A. Clarke recalled the landslides in St. Joseph and St. Andrew in the 1990s and the relocation of homes in the Scotland District, and Mr. D. J. H. Thompson supported the Bill while raising the wait of fire victims for a letter from the Chief Fire Officer.

With the Deputy Speaker in the Chair, Hon. T. A. Prescod spoke on the difficulty the poor faced in obtaining insurance; Hon. R. R. Farley on protecting the vulnerable and the small print of insurance contracts; and Hon. Miss H. E. Thompson on the social safety net, in a speech that drew a point of order from Mr. D. J. H. Thompson about Colonel Bostic. Hon. A. P. Wood gave his support, withdrew a remark at the Chair's request and faced points of order from Mr. D. St.E. Kellman and a point of elucidation from Dr. D. C. Estwick. Hon. Miss C. Y. Forde quoted the 2003 Manifesto on urban renewal.

Mr. G. W. Payne and Mr. R. D. Jones supported the Bill but questioned the \$125 000 limit, Mr. Jones arguing that disposable income should be the measure; Mr. R. St.C. Toppin supported the Bill. Mr. D. St.E. Kellman called for a catastrophe fund for farmers as well, and his speech on

the bond rate and the cess drew a long series of points of order from Hon. C. A. Mascoll and others. Mr. R. D. Marshall said that insurers had long offered cover for chattel houses, and Rev. J. J. S. Atherley said that private insurance must remain the first line of protection.

Replying, Hon. C. A. Mascoll said that a single house fire could be a catastrophe, accepted that the Government could later look at whether chattel and

concrete houses under \$125 000 should be treated alike, and explained that insuring a wooden house was relatively dearer. In Committee, with Mr. R. D. Marshall in the Chair, Clause 2 was amended to list storm surge, sea surge, lightning and any other force of nature, and the Bill was passed as the Catastrophe Fund Act, 2007. On the motion of Hon. R. R. Farley the House was adjourned until Tuesday, 20th February at 10.00 a.m.