
THE

House of Assembly Debates

(UNOFFICIAL REPORT)

PARLIAMENT 2003 – 2008

HOUSE OF ASSEMBLY

Tuesday, July 10, 2007

Pursuant to the adjournment, the House of Assembly met at 10.15 a.m. on Tuesday, July 10, 2007.

PRESENT

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

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

Rt. Hon. O. S. ARTHUR, M.Sc.(Econ.) (Prime Minister, Minister of Finance)

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

Sir Louis L.R. Tull, K.A., Q.C., M.A (Oxon)

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

Hon. R.C. EASTMOND, B.A(Hons.) Dip. Ed., LL.B(Hons) (Lond.), LL.M. (Leic.), J.P. (Minister of Labour and the Civil Service)

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

Mr. H.F. LASHLEY

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

Hon. Miss C. Y. FORDE, J.P., L.C.P.

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)

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

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

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

Education, Youth Affairs and Sports)

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

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

Hon. D. D. MARSHALL, Q.C., 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. D. JONES, B.A. (Hons.), M.A. (Ed.), J.P.

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

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

Prayers were taken by Rev. Canon Ivan Harewood.

Mr. SPEAKER: The House is now in session.

MINUTES

Mr. SPEAKER: The Minutes of Tuesday, June 26, 2007.

Hon. R.C. EASTMOND: Mr. Speaker, I beg to move that the Minutes of the Honourable House of Assembly for its meeting of Tuesday, June 26, 2007, which Minutes have been circulated, be taken as read.

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

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

PAPERS

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

1. Report on the Audit of the Accounts of the Auditor General's Department for the financial year 2005-2006.
2. Report on the Public Enterprise Investment Fund for the Quarter ended March 31, 2007.

3. Report on the Social Investment Fund for the Quarter ended March 31, 2007.
4. Excise Tax (Rate of Tax) Order 2007.
5. Custom Tariff (Amendment) Order, 2007.
6. Custom Tariff (Amendment) (No. 2) Order, 2007.
7. Value Added Order Tax Order, 2007.
8. The Duties, Taxes and Other Payments (Exemption) (Hotels and Resorts Limited) Order, 2007.
9. The Environmental Levy Order, 2007.
10. The Duties, Taxes and Other Payments (Exemption) (Sandy Lane Hotel Co. Limited) Order, 2007.
11. Annual Report of the Central Bank of Barbados for the year 2006.

Hon. R.C. EASTMOND: On behalf of the Honourable Minister of the Economic Affairs and Development, I am commanded to lay the following:

1. The Strategic Plan for International Business Sector, 2007 - 2012.
2. Annual Report and Audited Financial Statements of the National Petroleum Corporation for the financial year April 1, 2004 to March 31, 2005.

On behalf of the Honourable Minister of Energy and Environment, I am commanded to lay the following:

Hon. N.A. LYNCH: Sir, I am commanded to lay the following:

1. Audited Financial Statements of Grantley Adams International Airport Incorporated for the year ended June 30, 2006.

Notices

Hon. R.C. EASTMOND: Mr. Speaker, I beg to give notice of the following:

1. Final Appropriation (2006-2007).
2. University of the West Indies (Guarantee of Loans Bill) Bill, 2007.
3. Transport Authority Bill, 2007.
4. Resolution to take note of and endorse the International Business Sector Strategic Plan, 2007-2012.
5. Resolution to approve the vesting in the National Housing Corporation of parcels of land, the property of the Crown, at Barbarees Hill, St. Michael, for the purpose of housing

development to facilitate the relocation of persons who reside in the environs in the Sewerage Treatment Plant.

6. Resolution to approve the guarantee by the Minister of Finance of the payment of the principal sum three million, five hundred thousand United States of America dollars and interest thereon, to be borrowed by the University of the West Indies from the Caribbean Development Bank, for the purpose of financing infrastructural work at the Cave Hill Campus.

10.20 a.m.

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House 140, Sequence 03, 10.20 a.m.

FIRST READINGS OF BILLS

Hon. R.C. EASTMOND: Mr. Speaker, I beg to move the first reading of the following:

1. The Final Appropriation Bill, 2006-2007.
2. The University of the West Indies (Guarantee of Loans Bill), 2007.
3. The Transport Authority Bill, 2007.

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

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

SUSPENSION OF STANDING ORDERS

Hon. R.C. EASTMOND: Mr. Speaker, I beg to move the suspension of Standing Orders 6, 16, 18, 20, 42(5), 43 and 44 for this day's Sitting.

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

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

GOVERNMENT BUSINESS

Mr. SPEAKER: Government Business is the order of the day.

ORDER NO. 8 – RESOLUTION TO APPROVE IN ACCORDANCE WITH SECTION 5 OF THE CROWN LANDS (VESTING AND DISPOSAL) ACT, CAP. 225, THE VESTING IN THE NATIONAL HOUSING CORPORATION OF A PARCEL OF LAND, THE PROPERTY OF THE CROWN, AT 42 PARADISE HEIGHTS, IN THE PARISH OF SAINT JAMES, IN THIS ISLAND TOGETHER WITH THE DWELLING HOUSE THEREON FOR THE PURPOSE – OF DISPOSAL BY WAY OF SALE OR LEASE.

Mr. SPEAKER: The Honourable Member for Christ Church East.

Hon. R.R. FARLEY: Thank you very much, Mr. Speaker.

This Resolution is being brought to this Parliament in accordance with the Crown Lands (Vesting and Disposal) Act. The Crown is the owner of some 478 properties across the island of Barbados. Many of them are large civic centre complexes in terms of our schools, police stations, recreational facilities and other public facilities, and these would be included there, Sir.

Mr. Speaker, among that list of almost 500 properties, there are a number of residences, which would have been owned by the Crown, pursuant to policy directions of a bygone era, when residential accommodation was often associated with several positions in the public service.

Sir, you will find that there would have been some time ago, residences provided for principals of older secondary schools. You would have found that there were residences provided for senior officers in the Ministry of Agriculture, such as veterinary officers and others. You would find that there were residences provided for the district medical officer.

You would also have found that the Crown would have owned and maintained a number of houses which were used to provide accommodation for overseas officers working on contract for the Government, again in an era in which there were not enough Barbadian medical officers to service our country and persons in other professions.

In addition, Sir, there was also of practice in a bygone era where public officers serving in diplomatic missions overseas were provided with temporary accommodation as part of their relocation to Barbados, and these represented properties owned by the Crown.

Sir, over the last ten or fifteen years, there has been the practice of investment of a number of these residential properties. Indeed, I recall also in this general Wanstead, Paradise Heights area there would have been several more

of these houses which were constructed in the 1970s by the National Housing Corporation, which were owned by the Crown and which would have been sold in the early 1990s to a number of persons who have been occupying the houses for some considerable time, pursuant to rental arrangements, and persons in the categories that I mentioned previously.

Of course, today, Sir, no such provision of accommodation is attached to public officers, or officers serving in the general civil service, where there are officers who are living and working in Barbados on contract, they would typically make their own housing arrangements.

We have also found, Sir, that some of these properties, when they have fallen out of their historical use, have not always been kept and maintained in the best possible condition. In fact, the policy of the Ministry of Housing and indeed of the Government, over the last decade, has been to turn these properties over to the National Housing Corporation which is the Government's executive agency for housing. Typically, these properties would then be sold to either the persons who are occupying them, in cases where they are occupied or sold on the general market, in cases where they are not occupied. This Resolution this morning fits within that general context.

Mr. Speaker, this house at No. 42 Paradise Height in St. James is a property of some 781.6 square meters, which is just under 8 000 square feet. It is a three bedroom, two bathroom house and this property had been used for many years. Indeed, it was rented for a period of about 12 years by CARICAD, Caribbean Centre for Administration Development, a regional centre.

CARICAD did significant work over the years. Indeed, Sir, I remember the Executive Director for many years, had made quite a name for himself, until he left and went to the Food and Agricultural Organisation (FAO) and took up residence in Trinidad and Tobago.

Sir, over the years, CARICAD had been one of the regional associations which had benefited from some level of Government financial and other support. Therefore, the rental of this house by the Crown to the Executive Director of CARICAD was part of such an arrangement. Indeed, the rental would have been on concessional terms.

Sir, CARICAD ended that relationship when they changed the terms of conditions for their post at the end of the tenure of the Executive Director, and that house has been vacant since then, because a decision had been made that the property should be vested in the National Housing Corporation for disposal by way of sale. Therefore in the period leading up to the disposal by sale, the Government took a decision not to have a new tenant into the property.

This property is in good and sound condition and only awaiting Parliamentary action to allow the National Housing Corporation to take legal possession and therefore, Sir, to be able to put it into its housing programme. The proposal is to dispose of it by way of sale. As indicated, Sir, this is one of several similar steps that has been taken over the last 15 years and will continue to be taken.

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Hon. R. R. FARLEY: Indeed, Sir, there are a number of similar Crown-owned residences in the historic Garrison Savannah area, as well as a number of residential properties in the Ladymeade Garden area, which are used by the Ministry of Health for the provision of residential accommodation for medical students and others.

Mr. Speaker, most of the properties which were used by the staff of the Ministry of Agriculture and all of those which were used by the district medical officers have been divested over the years. Sir, it is the Government's policy that where the existing tenancy arrangement ends on those properties, that we would seek to divest either by way of sale to the longstanding tenants or by putting the properties on the market to empower worthy Barbadians to be able to own this particular property.

Sir, I therefore beg to move that in accordance with Section 5 of the Crown Lands (Vesting and Disposal Act), that Parliament approves this Resolution to vest this property at No. 42 Paradise Heights, St. James in the National Housing Corporation for disposal by way of sale. I beg to move Sir, that this Resolution do now pass.

Hon. R. C. EASTMOND: I beg to second that, Sir, and reserve my right to speak.

Mr. D. St.E. KELLMAN: Mr. Speaker, I believe that we are at a stage in our development where clearly there must be some fundamental changes in how we dispose of Government assets. Sir, when one considers that the Land Acquisition Act is party also to this function, when one considers that land is now becoming a scarce commodity in this country and when one considers the cost of replacing land in this country, I am proposing to the Minister of Housing and Lands, who has to deal with a large amount of land acquisitions, that the first persons who should have the option of purchasing any property that belongs to Government are those persons who had to give up their right to ownership of land to other persons, especially those under the Tenancies Freehold Purchase Act.

I honestly believe, Sir, that Government, being the easiest possible landowner in this country, must be the entity that is in a position to ensure that when a person

gives up their land to accommodate Government policy and the law of the country, the obligation has to be on Government, not on the small individuals who had plans for their land, who have found themselves in a situation where today they are the owners of a parcel of land but tomorrow they are not...

Sir, the time is right for this Parliament to recognise that in trying to accommodate others, we have deprived a large number of persons in Barbados of their right to a vital piece of land, a right that everybody in Barbados wants. Sir, we cannot use the law to deprive people of that opportunity and then have the opportunity of disposing land that belongs Government and then put it on open market. Sir, I honestly believe that the first choice should be given to those persons who were dispossessed of their lands through an act of Parliament. Sir, seeing that the Minister of Housing is also the Minister responsible for the National Housing Corporation, I hope that what I am proposing would be taken into consideration. Sir, it is well-known throughout Barbados, this is something I have been speaking about for the last 12 years, that there are people who are now feeling it in a real way. Therefore, I am calling on this Parliament to forget who was the one who was pushing it all the time, who was the one who was calling for the change in the Land Acquisition Act and who was the one that said that money cannot be the final settlement, and changed the Land Acquisition Act, so that the vendor can have an option.

What we are saying, Sir, is that the purchaser, as it relates to the Land Acquisition Act, has all the rights but the vendor does not have any. Sir, that cannot be fair. Therefore, I am calling on this Parliament to recognise the right of the vendor. Mr. Speaker, what is most hurtful about this situation is that the vendor has no rights because even though the vendor is called the vendor in this particular case, the vendor does not put up the land for sale, because the vendor's land is taken from him or her.

I am saying, Sir, that this Parliament has to recognise this right and do something about it. We cannot have persons, because of the amount of money they have, controlling all the land in Barbados and those persons who can least afford to buy land being deprived of their land in Barbados.

Sir, in the same way that people who have money can appreciate land, then those poor persons whose foreparents would have worked hard to ensure that they were entitled to a piece of land, maintain the right to have possession of land in Barbados. Sir, the Land Acquisition Act has worked against the masses of people in this country and we as politicians must do something to change it, and this is a golden opportunity for us to do so.

Mr. Speaker, I am told that Government has over 478 of these properties across Barbados. Therefore, I am saying that instead of vesting these properties in the National Housing Corporation, the Minister of Housing should recognise the particular problem that is being confronted in this country and do something about it.

This is a real problem, Sir. This is not a pie-in-the-sky story. This is time for action. This is time for this Parliament to do something about it because if this Parliament does not do anything about it, years from now this Parliament would be blamed for depriving poor people of their land. Sir, if we do not do anything about it, we would all be guilty.

Mr. Speaker, the Minister of Housing has the right opportunity and the authority to take this proposal to Cabinet because it is all in the interest of the masses of people in Barbados and the Land Acquisition Act has worked again the masses of people in Barbados. Sir, on top of that, the Tenancies Freehold Purchase Act has also worked against the masses of people in Barbados.

As I said already in this Parliament, Sir, there was no problem when we were dealing with the plantation, they wanted to get rid of that land. Sir, there are poor persons who bought that land for their children, and then people went to them and begged for a right to have a house spot. Sir, today, those persons owned the land and those persons who, out of the kindness of their heart, allow someone to settle on their land, do not now have any land in this country.

Certain remarks made by the Honourable Member for St. Lucy were ordered expunged from the records by Mr. Speaker.

Mr. D. St.E. KELLMAN: Mr. Speaker, I agree with you. The remark can be struck from the record but I heard the Honourable Member. You cannot hear him, Sir, you cannot hear asides, I can.

Mr. Speaker, the Honourable Member has to understand that this is a real case and we cannot be skylarking on issues like these. This is a serious matter and it is time for this foolishness to stop in Barbados. Sir, we have to appreciate that poor people have a right to have land in Barbados.

Mr. Speaker, I am seeing too many people coming to Barbados and setting up and doing as they like in this country. I have seen people with all their decorations in Barbados. I am told that they have no legal right, yet they are decorating Barbados as if...

Mr. SPEAKER: Sir, what are you talking about now?

Asides.

Mr. D. St.E. KELLMAN: Mr. Speaker, I did not want to go there, but if you ask for an explanation I will give you one.

Mr. SPEAKER: I have been sitting here listening to you. I do not know where you are going.

Mr. D. St.E. KELLMAN: You asked a question, Sir, and you know I will oblige you. You know I will always obey you, Sir.

Mr. SPEAKER: This is a simple vesting of a house in the National Housing Corporation. Are you talking about the section, which is disposal by way of sale or lease? Are you making a recommendation on that section of it?

Mr. D. St.E. KELLMAN: Mr. Speaker, that is the first thing I said. I said that this House has to take a stance, that if this house is for sale, that the best persons to have the first opportunity for it are those persons who were disenfranchised under the Tenancies Freehold Purchase Act and under the Land Acquisition Act. That is what I said up front, Sir.

Mr. SPEAKER: Okay.

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Mr. D. St.E. KELLMAN: Mr. Speaker, on the other point that you have asked me to explain, all I would say to you, Sir, is that the next time you are on the West Coast, before you get to the Esso Gas Station, all you have to do, would be to take a look to your left and you would see the decorations of which I speak.

Mr. Speaker, the point I am making, and I do not think that anybody in this Honourable House could object, is that those persons who have been deprived of their land because of the Land Acquisition Act and the Tenancies Freehold Purchase Act, should be the first persons to have first call on Government's properties.

Sir, I believe, and I am sure you would agree with me, that it is for Government to find land for all citizens of this country and not for poor people to have to find land for themselves. Sir, this goes as far back as Robin Hood's time. Therefore, I am saying we have to understand what we are dealing with and if we do not deal with it, then we are going to create social problems in this country. Sir, when that happens, we would all be blamed for it because we would have had the opportunity to have dealt with it

and we would have refused to do so. Mr. Speaker, do you remember when I came to this Honourable House, in 1994, I called on Government to acquire land parcels of land, to ensure that the masses in this country would get an opportunity to own land? Sir, it was 13 years ago that I made that call and today I still stand by it. Sir, at that time, I had seen what was about to occur and I am now witnessing it. Sir, I am not a happy man about what I am seeing happening, I am saying that fundamental changes have to occur in this country.

Mr. Speaker, I will not take blame, even if I have to clear my name on this matter, I will do so. Sir, for too many years, I have been here speaking on this issue, yet everybody has been ignoring me. I am now hearing people talking about it themselves. Therefore, if people are talking about it, it tells me that I have a right to speak on it because the people are now in agreement with what I have been saying. Sir, now is the time for a change. Sir, I am, therefore, demanding that change today in this Honourable House because poor people, like anybody else have a right to land ownership in this country. Furthermore, I do not believe that politicians have a right to take that land away and instead give them money, while there are others who are buying those lands from Government. Sir, it is not fair, it is now time for a change in this policy and that change shall start today.

Mr. Speaker, I thank you.

Hon. Miss H. E. THOMPSON: Mr. Speaker, I want to make a brief intervention in this matter because the property to be disposed of falls within the area which I represent. Sir, there are a number of issues; the first to which I would want to turn my attention is to query exactly the method of disposal being contemplated by the National Housing Corporation. This is a property that is now in a high-value area, an area in which Barbadians find it highly desirable to live because of issues such as safety, security, attractiveness, proximity to Bridgetown, proximity particularly transportation services. Therefore, it is an area which people find highly desirable and which property values have risen considerably over time.

Mr. Speaker, there has been a high indication of interest on the part of people residing within that area and within the constituency. There have been expressions of a high degree of interest of persons who want to buy the property, if it was made available to the public. Sir, I know the process was started some time ago and I am very pleased that it has finally come to this point, where it is completed and can be made available, but I would want the assurance that we are going to have an open and transparent process of sale, perhaps by auction, where everybody, who has an interest, is able to declare that interest and, at the same time, compete by means of an open and transparent process, and by which the National

Housing Corporation is able to recover the true market value of the property.

Mr. Speaker, some of those properties have been disposed of for far less than what they were worth and in this instance, I know that the National Housing Corporation can get the true market value of the property and that there are people, who live in the constituency, who are renting, who would like to buy it. There are others who would want to buy this property for their children who are getting married, who have young families themselves and may still be at home in close proximity to the family home, so that they could have the familial support services, such as the care of children and after-school care, when the parents are at work.

Mr. Speaker, it is important, I think, that the National Housing Corporation is able to get that market value and that persons who have a legitimate interest, persons who have watched those properties, for some time, in disrepair and hoped, at some point, to get an opportunity to purchase them, should be made available to them. Sir, during the time that I held the Housing portfolio, while we were preparing the documentation and starting the process of getting it ready, I received at least 15 to 20 letters, several phone calls and oral expressions of interest, as I walked the community. Sir, I left these letters on the files of the Ministry of Housing and the National Housing Corporation.

Mr. Speaker, I think it is critical that the country be told, and that the constituency where this property is located and where people have expressed interest, should be made to believe they have a fair and open opportunity to access this property in a market price sale, or in a market price situation.

Sir, it is my experience, having been Housing Minister, that very often, when the National Housing Corporation has options, not only is it an open and transparent process, where everybody could see and hear how much the bid is on the various properties but invariably, the experience of the National Housing Corporation has been that those auctions have yielded market values and sums in excess of what they were planning to sell the properties for, prior to going to the auction. Therefore, I am urging the Honourable Member that the process of auction should be contemplated, for transparency, openness, fair competition, as well as for the sake of the revenue-earning capacity of the National Housing Corporation.

Mr. Speaker, there are also some wider issues relating to land and properties within the area, that are held by the National Housing Corporation and the Ministry of Housing, which I think are appropriate to be raised under this Head. Sir, one of those issues has to do with the fact

that the National Housing Corporation remains a large landholder in the constituency of St. James South.

There are large open spaces in developments, there are large plots of land at various areas that have not been sold, which remain within the ownership of the National Housing Corporation. The problem with them, however, is that despite repeated letters from my Ministry to that of the National Housing Corporation, the National Housing Corporation is not maintaining these parcels of land. These parcels of land have become considerably overgrown, while, in the meantime, constituting a risk to private property owners.

Sir, we cannot get the National Housing Corporation to maintain these parcels of land. They have become havens for rodents and other creatures; nefarious persons sometimes secrete themselves in them, to prey on innocent passers-by and to break into houses; there are also the corollary adverse environmental and aesthetics impacts, which are affecting constituencies. Mr. Speaker, I am speaking about this in the context of St. James South, because that is where we are looking at today. We are looking at Paradise Heights, Wanstead, Husbands and Oxnards, et cetera, where the National Housing Corporation owns land but has not and is not maintaining them.

Mr. Speaker, I have asked the National Housing Corporation, in relation to Paradise Heights, to look at creating some additional lots for sale because the open area was not being well-utilised.

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(EDITED)

Hon. Miss H.E. THOMPSON: We could have utilised part of it as a park or open space for the community, which can be done. However, because so much of the land is open, it could be converted to additional house lots so that other persons could get access to lots in the area, which would have two benefits, first, an additional housing solution being provided and second, the fact that the land space would go into productive use and, therefore, would no longer be overgrown and constitute a nuisance or risk to householders.

Mr. Speaker, the issue of the maintenance of other properties owned by the National Housing Corporation and by the Minister of Housing is also of importance. There are a number of properties owned by the Government, in trust for the taxpayers of Barbados, in this constituency and across Barbados, which are not being put into productive use, which if they were vested in the National Housing

Corporation and could be sold, would yield revenue for what is a cash-strapped, quasi-State institution as well as provide commercial or housing opportunities, to which a number of individuals could have access. Sir, there are hundreds of properties, vacant lots, some of which are derelict and some in various states of disrepair, owned by the State that we have a responsibility to take better care of and institute some kind of management plan or sale plan.

Mr. Speaker, in speaking to the issue of sale, across Barbados there is a high demand for housing and lots and National Housing Corporation has several residual parcels of land at various areas that could be utilised to create effective housing solutions. Sir, at Westbury Road, there was a residual strip of land after some road development carried out by Government that was able to accommodate three houses as models for the Primary Homes programme. Sir, at Culloden Road, because of road works and vacant land, we were able to put another house in that area for somebody else.

I believe if the National Housing Corporation and the Ministry would do a careful inventory of the parcels of lands, which it owns across Barbados, that a large number of housing solutions or vacant lots could be provided to Barbadians just by doing a proper inventory that allows us to locate those individual houses, those individual lots and create opportunities for persons where those opportunities now appear not to exist. Sir, it is a critical and important issue.

Mr. Speaker, I also want to speak about the maintenance of land and property in that area, while we are talking about this whole Wanstead/Husbands area. Sir, I have made the point earlier that National Housing Corporation is not maintaining its land and that when you write to them, nobody bothers to answer the letters and that they do not respond to the issue you are raising. Sir, part of the challenge which we are also facing in the area, and of which some people are seeking to make some fodder, is that private landowners, who own parcels of lands, and this is not only a problem in that particular area, but really is a problem all over Barbados, which we have to address, is that there are a number of persons who own large parcels of lands, some of the owners live outside of Barbados, some live in the same community but have another parcel further up the street, which they are holding for children, other relatives and so on. Sir, some people in other areas and own parcels elsewhere but the reality is that we have a habit, as a people, of only maintaining the parcel of land on which we are currently residing so other parcels of land, which we may own in other areas are not maintained and we allow them to become overgrown and create a risk and a nuisance for other residents.

Sir, these vacant lots constitute a double risk, risk to health; risk to wealth and no matter how much you try to

get Barbadians to be sufficiently discipline to address the issue, they are not doing it. Sir, the Government is taking the blame and people then say that the Member of Parliament is doing nothing to get their area debushed when, in fact, the land is privately owned and the Member of Parliament has repeatedly called on the landowner to address it.

Mr. Speaker, serious steps have to be taken by the Government to get persons to be more disciplined in relation to that issue but the Government also has to lead by example because, insofar as Government is a major landowner itself, it is not setting any example to the public and when you write to the National Housing Corporation or call on them to address the issue, nobody even acknowledges receipt of your letter. Sir, it is very unfortunate that managers of state-owned corporations, who are being paid by the taxpayers, should treat people with that kind of discourtesy.

Mr. Speaker, there are problems, which need to be addressed in relation to quality of life issues for citizens not only within my constituency, where we happen to be discussing this morning but this problem exists island-wide and needs to be addressed. Sir, this is an middle-income to upper middle-income development within the constituency and in middle-income development there are usually three problems raised by residents, one would be a need for street lighting; two, depending on the location, would be a need for “sleeping policemen” or speed humps because...

Mr. SPEAKER: Honourable Member, we are not vesting “sleeping policemen”.

Hon. Miss H.E. THOMPSON: Sir, while that is true, you cannot get to the parcel of land being vested unless you drive or walk. Sir, debushing is the third major issue in middle-income areas that one has to address.

Mr. Speaker, I am glad to see that we have come to the point where this has gone through the formal process to prepare it for sale to the public. I appeal for open and transparent process of sale, so that many people, who have expressed interest across the constituency would feel that they have a fair and open opportunity at getting it and that the National Housing Corporation can also derive proper revenue from the sale. Sir, by extension, in the same way that this property has been there for ten years or so, falling into disrepair, becoming derelict and overgrown with bush, I would urge National Housing Corporation to implement a policy and an approach with some urgency to address its many parcels of land across the constituency and across Barbados that are overgrown and constitute a risk to the public.

Mr. Speaker, moreover, I am calling on all Barbadians, who own parcels of land that they have

allowed to become overgrown and constitute a risk to the health and wealth of other Barbadians, to do something about them.

H140/11:00

Sequence 6

Tuesday, July 10, 2007

Hon. Miss. H. E. THOMPSON: Sir, there was a time when we were far more caring about our neighbours and the well-being of each other. Unless some of these attitudes manifest themselves again, you will find that we have become a wealthy society, in terms of our ownership, but we have become spiritually impoverished. Sir, that kind of wealth must be fostered. We can, in fact, treat all people as our neighbours, and treat our neighbours as we would want other people to treat us.

If persons consider that they would not want to have an individual to have a lot next door to them overgrown with bush, creating a health risk to them, then they would not create the same hazard to other people.

I am much obliged to you, Sir. I leave the “Sleeping Policeman” alone, as I head back down the road, now.

Mr. SPEAKER: The Honourable Member for St. James North.

Hon. R.C. EASTMOND: Mr. Speaker, I gathered from the last intervention, that the Honourable Member requested an inventory of public property. Sir, I join this debate to comment on that, because a lot of curious incidents occur in Barbados with regard to publicly-owned land.

Mr. Speaker, we get a situation where some lands are owned by the Crown, meaning that the responsibility for those lands, lies with the Government, the line Ministry known as the Ministry of Housing and Lands. Sir, you have other properties, which are owned by the National Housing Corporation, which is supposedly the functional arm of the Government, when it comes to delivery. We have not yet found a formula where lands go direct from the Crown to ultimate purchasers. We always invoked Section 5, of Chapter 225, by first vesting land belonging to the Crown into the National Housing Corporation.

Sir, I support the stance taken by the Honourable Member for St. James South, on almost everything she said, but there is one matter which I bring to Parliament’s attention. Sir, in 1956/1957, a man called Mr. Lewis was put in occupation of lands in Lower Holders Hill. This would be approximately four miles north of the land that the Honourable Member for Christ Church East is

discussing. Mr. Lewis was put in occupation before 1960. Mr. Lewis grew and developed a family, and for thirty years, that Lewis family was writing the Ministry of Housing and Lands, or having people write on their behalf. They have never received a reply.

Sir, in an era when people need services and want to make sure that action is occurring, then the statements by the Honourable Member for St. James South, really gain strength. Sir, Mr. Lewis, in the meantime has died. His wife, fortunately, is still living, they have children and they have never once been given the courtesy of a written reply to the dozen or more letters sent by them.

Sir, when it comes to this sort of situation, where there is a problem ongoing for more than forty years, then we are coming to either certain systemic problems or problems of administration that need to be addressed. I would want the Lewis family is assured, having been told by successive Governments that they could continue living there, that they receive some type of reply. They have built a house on the land. They were never once told that they were trespassers. They were given oral assurance over and over that they could stay there, and to date, notwithstanding many efforts of different people, on behalf of the Lewis family, never once were they given a reply.

Mr. Speaker, there are other issues when there are Government's lands in Barbados, and Government is not aware that the lands belong to Government. I would not say what the logical, unfortunate consequences of that will be, but Honourable Members have the imaginations and can work out that if a significant portion of the community recognise that land is owned by Government, in a situation of high demand, then a certain negative logical consequence will occur.

Sir, I want to make those remarks and I support the Resolution, but even the Honourable Member for St. Lucy, whatever we may think of today's contribution, has repeatedly been consistent when it comes to the question of the transfer of land under Section 5 of Chapter 225.

Sir, with those brief remarks, I support this Resolution.

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

Hon. R.R. FARLEY: Mr. Speaker, I thank Honourable Members for their contribution to this debate. Let me say, in response to some of the issues which have been raised, that this particular property, in question, is not overgrown or in dilapidated condition. In fact, this property, the inspection report that I have seen, from the experts who looked at the physical condition of floor, walls, roof, et cetera, is in good condition.

In addition, a drive-by inspection, would have indicated that there is another property in the same avenue that is overgrown. I am not aware that it is owned by the Crown. This Lot is No. 42, and is not to be confused with another property owned by a private citizen, that is overgrown. Sir, Lot No. 42 is very much ready for occupancy.

Sir, with regard to the terms of disposal, the usual means, which is used, and will continue to be used by the National Housing Corporation, is disposal by way of auction. Sir, all of those parties, who are interested, will have an opportunity.

Sir, the Honourable Member for St. James South, the representative for that area, is correct, there have been over the last several years, persons writing expressing interest, some expressing general interest, some putting a figure on the table. In those circumstances, the only way in which the public would believe that they would have an open opportunity and a chance, is by way of financially democratic process of having this property auction.

Mr. Speaker, from time to time, I am sure you would have seen advertisements of various properties, owned by the National Housing Corporation, which are auctioned. There was a minimart in Eden Lodge, for example, that was sold by way of auction. Sometimes where there are lots with deep[lots, which persons to whom they may have been offered, decided that they would not want to take the chance, we go to auction, and sometimes attract prices higher than the initial offer, because people who know about building would say that they know about building and how to build on these lots.

Asides.

Hon. R.R. FARLEY: Sir, there was a lot in Wildey, a corner lot, with deep soil, which sold for more per square foot at an auction, than the price offered to the other persons. Sir, the parties who were interested, they obviously had plans, knew why they wanted it, and were willing to pay for it.

Sir, given the vast interest in this property, no one would feel that there has been openness, transparency or fairness, if the Ministry was to simply choose someone, and say I choose you. Sir, somebody would say that I had a better offer in mind, or I made a better offer, or if I were asked I would have made a better offer. This Ministry certainly will not put itself in that position. It will go the route of a public auction for whatever benefit it can obtain.

Sir, in relation to concerns about overgrown areas and the management of properties owned by the Crown, the Ministry has on its staff, a team of maintenance workers who are sent out to a number of properties to maintain

them in good order. Their record, though good, is not perfect. I take the point that there are, indeed, some properties, which do from time to time reach a condition, where a little more care is required.

11.10 a.m.

Sequence 7

Tuesday, July 10, 2007

House 140, Sequence 08, 11.00 a.m.

Hon. R.R. FARLEY: Sir, in relation to this wider Wanstead/Oxnard/Husbands area, there are two distinctly different situations in which there will be vacant lands. Members would recall that in all of the large developments, the Town Planner specifies that there must be open lots remaining. In fact, those lots are not retained in ownership of the NHC or any other developer but they are conveyed to the residents of the area, by way of proportionate part ownership.

Therefore, if there are 100 lots in a given area, the individual conveyances, if you read them carefully, would indicate that each person is a one per cent owner of the open lot, and that the maintenance and development falls to the residents.

I make the point that it should really fall to the developer at the stage of handing over the property in the first place, not to just hand over an open lot but to hand over a developed and landscaped open area, therefore making it relatively easy for residents to do the ongoing maintenance.

Quite frankly, it is not practical to expect that residents would get together to cut down clammy cherry trees and river tamarind bush and regrade land, if it needs to be regraded to form an open park. Sir, where there are such areas existing within the NHC's estates, as a one-off exercise, it is our proposal to undertake that kind of development, then, it would lie in the future for the residents, who are the proportionate part owners, to do the ongoing maintenance of those lots. You would also have then, of course, one or two residual areas and I know certainly that the Honourable Member for St. James South, would have developed three or four of those locations to put additional lots in the area, and those lots would soon be very much occupied.

The matter of an inventory of Government land has been raised by several Honourable Members, in fact, such an inventory exists. However, where the system is less than perfect, is in terms of the ongoing management and supervision of those lands. Therefore, we have the reality of a situation in which, for example, in the 1980s there was

a first relocation of residents from around the Bridgetown sewerage treatment plant. Yet, Sir, in 2007, when we are doing the relocation of residents there are persons who had in the intervening period, in the early 1990s for example, gone onto the lands that had been previously vacated, and would now have to form part of a relocation.

Sir, there are Crown lands elsewhere, where persons have gone into occupation. There needs to be a strengthening in that there needs to be more frequent visual inspections, so that when people are attempting to build, and they are intercepted at that early point, there would be less trauma on those persons. It is easier to move a ground-sill and a frame, than to move again after you put up your whole house and you have services connected.

The staff of the department need to do a more thorough job, in terms of inspecting the lands which are known. I have seen the inventory of Crown lands, which contains some 2 600 listings. I mentioned there are 478 where there are buildings, but in terms of lands - because those lands would include lands where there are public roads - there are 2 600 lines of information, and they have the Land Tax reference numbers.

Sir, what we are seeking now to do by way of an enhanced land management system, is to put that information in the Geographic Information System, which we now have. As you are aware, Sir, the Lands and Surveys Department has completed the digital mapping of Barbados, so that for all of Barbados, you can have down to an accuracy of half a meter, 18 inches, and you could take approximate measurements and do several what-ifs scenarios.

Sir, we will be overlaying on that base map, the registered survey plans from the Lands and Surveys Department, the Land Tax information and all other relevant information. Therefore, within the Ministry, you would be able at the click of a mouse to go onto a parcel of land to find out information about ownership, whether it is owned by Government or someone else, and you would be able to get contour information, the height, depth and the slopes. You would also be able to get the information on how it is zoned. The first building block on that initiative has been done, in terms of the base map. Therefore, I want to assure members that some progress has been made and there is an inventory of Government lands.

Sir, what is required is more effective policing of Government lands to make sure that they are used for the intended purpose and that unauthorised persons do not have access to lands. Sir, quite frankly, all too often when lands have to be surveyed either for sale, lease, or some form of development, it is then discovered that there are encroachments. For example, at the Gymnasium the lands there are owned by the crown to be vested in the

Gymnasium Limited to allow that company to be properly capitalised and to use the assets in terms of the land to raise its financing to do its ongoing work. There are encroachments on two sides of that land, where persons of substantial structure have deliberately gone onto the Crown lands behind their houses to expand their gardens and do development.

Sir, I am conceding that with more frequent and effective policing of Crown lands, there would be less of that kind of clean-up work to be done. Sir, in terms of the crown being able to vest that land under Section 5 of this legislation in the Gymnasium Limited, we would first have to take care of those encroachments.

Therefore, I am pleased that in this case, as this is an existing development, this property was fenced and the boundaries clearly known, and there have been no encroachments with which we had to deal. Sir, those are some of the factors which impact negatively on the speed at which we are able to do some of these vestings and other forms of disposal.

The other point I want to make, Sir, in response to an issue that has been raised is that I do not think many people would share the Honourable Member for St. Lucy's views, but the business that the tenancies legislation has been hard on poor people, it is indeed poor people that the tenancies legislation is intended to help.

Sir, the fact that landlords are not disadvantaged by the way of the financial package that is offered that is, \$2.50 per square foot, is not what the landlords are paid. The landlords are paid the full market value of the property. The Government provides a subsidy to bridge the gap between the \$2.50 paid by the tenant and what the landlord is rightly and properly and duly entitled. Sir, I just wanted to read that into the record.

Mr. Speaker, with those explanations, I beg to move that this Resolution do now pass.

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

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

ORDER NO. 9 – RESOLUTION TO APPROVE IN ACCORDANCE WITH SECTION 5 OF THE CROWN LANDS (VESTING AND DISPOSAL) ACT, CAP. 225 THE VESTING IN THE NATIONAL HOUSING CORPORATION OF A PARCEL OF LAND, THE PROPERTY OF THE CROWN, AT 92 WANSTEAD TERRACE, IN THE PARISH OF SAINT JAMES, – IN THIS ISLAND TOGETHER WITH THE DWELLING – HOUSE THEREON FOR THE PURPOSE OF DISPOSAL BY WAY OF SALE.

Mr. SPEAKER: The Honourable Member for Christ Church East.

Hon. R.R. FARLEY: Thank you very much, Mr. Speaker. House 140, Sequence 08, 11:20:14

Tuesday, July 10, 2007

Hon. R. R. FARLEY: Mr. Speaker this Resolution is similar to the first one, the difference being the location. This property at No. 92, Wanstead Terrace, St. Michael, stands at the corner of 6th Avenue and Wanstead Main Road. This property is a dwelling-house, which I believe is the standard three-bedroom, one or two bathroom house, which was constructed in that area back in the 1970s. This was a house which was used by doctors of the Psychiatric Hospital and the property had in fact been under the control of the Ministry of Health, even though it would have been owned by the Crown.

Sir, the arrangement by which psychiatrists at the Psychiatric Hospital were provided with residential accommodation came to an end, and therefore the house became unoccupied. The Psychiatric Hospital however indicated that it would want to retain the property at No. 92. However, notwithstanding that request from the Ministry of Health, which the Ministry of Housing and Lands supported, the property remained vacant for some time.

It is our view, Sir, that the integrity of the property would best be maintained if it is used for its intended purpose as a dwelling-house rather than remaining vacant. Therefore, we have decided to vest this property in the National Housing Corporation for disposal by way of sale.

Sir, this property is in need of some physical work. The grounds are maintained, it is not an overgrown, derelict-looking property. However, Sir, the building inspection which was done indicated that some work is required on the roof, given the date of construction, and that some work is required on one or two other minor aspects of the residence.

Sir, as I said, the Ministry is attempting to do a clean-up and a rationalisation of what it owns, and this

property is one of those. Sir, there is no need for the Ministry of Health to maintain this residence or for the Ministry of Housing and Lands to hold it as a residence for accommodation of any public officers resident or visiting. Therefore, we believe that it should be put into the full open housing stock of the country. Mr. Speaker, we are therefore using Section 5 of the Crown Lands (Vesting and Disposal) Act to put this property into the National Housing Corporation for disposal by way of sale.

Mr. Speaker, I beg to move that this Resolution do now pass.

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

Mr. D. St.E. KELLMAN: Mr. Speaker, it is clear to me that the Government has adopted a policy and has found a new way to finance the National Housing Corporation because when this land was purchased, we were aware that it was purchased through central government, which meant that the expense would have fallen to central government. Sir, now that we are disposing of this property, we are having a situation where the revenue from this sale will be going to the National Housing Corporation and there will be no matching expenses to show for this revenue.

Mr. Speaker, this is creating fundamental problems because, as I said already in this House, the Government of Barbados acquires large parcels of land, and pays large sums of money for the land, but then the National Housing Corporation is allowed to sell these properties without incurring any expenses and is allowed to keep this money.

Mr. Speaker, even though the Government of Barbados is spending large sums of money acquiring these properties and the National Housing Corporation is making a lot of money from the sale of these properties, whenever you look at the balance sheet and the profit and loss account of the National Housing Corporation, you cannot recognise that this is an organisation that is receiving millions of dollars from the Government of Barbados, or that it is an organisation that has no expenses as it relates to these revenues. Sir, if there is one organisation in Barbados that should be showing a lot of profit, it should be the National Housing Corporation.

Therefore, Mr. Speaker, the Minister of Housing will have to tell this House and the country of Barbados why is it that the Government is not prepared to enter into swaps with persons from whom they are acquiring land but are prepared to take the money and the proceeds from the sales and give it to the National Housing Corporation even though the National Housing Corporation has not incurred one cent in expenditure.

I am saying, Sir, that this approach cannot be right, and that I have fundamental problems with it. Sir, from the time I was in this Parliament we have been vesting large acres of land and a large number of properties in the National Housing Corporation, but whenever you look at the balance sheet of the National Housing Corporation you cannot tell that this is occurring. Therefore, it means that something has to be fundamentally wrong with the NHC.

Sir, I hope you understand what I am saying. The National Housing Corporation does not pay one cent for a piece of land. We come here in Parliament, take the taxpayers money and spend that money buying land for the National Housing Corporation, which we pass on to the National Housing Corporation at no cost, yet the National Housing Corporation has a deficit all the time. Sir, somebody has to account for this procedure.

Mr. Speaker, I am saying that something is fundamentally wrong. Sir, I am saying today, and the Minister would have to deny this one, that these sales can only be in the interest of the National Housing Corporation, not in the interest of the Government of Barbados, for the simple reason that when one considers the number of persons in Barbados that are owed for government land, one would have thought that the proper thing to do would be to have a property swap. In other words, they should look for those persons who they would have abused under the Land Acquisition Act, and use the option that I have been proposing all the time and have a swap in property.

Sir, it is not fair for us to take property belonging to Government and put it out to public auction when there are persons who would have lost their properties because of government action who cannot get back property, now that government has it for sale. Sir, it sounds good to hear that the best action is by auction but when you think about it, those persons who would have lost their properties will not have a fair chance of getting back any property. Sir, I know the group of persons that would get this property.

Sir, if you check the auctions that are held throughout Barbados, you will see that there is a particular group of persons walking around with the right amount of money and paying for the land on the spot. I am saying this is not fair, Sir.

Sir, we, as a parliament, have to find a better way to deal with Government land. We have to ensure that we do not use Government land to give it to persons who are not entitled to get it and are using money alone to get it. We are depriving poor people and giving the land to persons who can go on the open market and get land otherwise, that is why in Barbados, no matter how deep the soil is, there are persons who would still buy the land because they understand the importance of land.

Mr. Speaker, the history of Barbados would show that the same persons we have deprived understood the importance of land. Sir, if you want to know people who understand land, I want you to come to St. Lucy and move a landmark or even kick a landmark. Sir, if you do that, you would not have a foot because those persons understand the importance of land. If you go to St. Philip or even in St. George, it is the same thing, Sir.

Sir, we must not believe that those persons who have been deprived do not understand the fundamental problems that have been created for them, they are waiting. Sir, land will create social problems in Barbados. I have said this already, but we do not listen. Sir, I will watch it, but I hope I do not have to watch it.

Sir, it is okay for the Minister of Housing, who has the NHC under his mandate, to find the best ways to find revenue for the NHC, but it is not the best social way to deal with land in Barbados.

House 140 Sequence 9

11.30 a.m.

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Mr. D. St.E. KELLMAN: Mr. Speaker, the Minister is now on the auction block, trying to ensure that the largest sums of money coming into the National Housing Corporation, would decrease its deficit. Sir, but is that a social good? Sir, it is not a social good because all that would be doing, would be giving up that right that our foreparents would have fought so hard for, to ensure that their leave it for their grandchildren and great-grandchildren. This right would now be given to an elite group that is now using the largesse to command Crown land in the land bank in this country. Sir, you cannot be happy about it because I am not.

Mr. Speaker, I thank you.

Hon. Miss H. E. THOMPSON: Mr. Speaker, I want to open at the point at which the Honourable Member for St. Lucy closed. Sir, some of what the Honourable Member for St. Lucy has said is valid, while some is convoluted and some downright inaccurate.

Mr. Speaker, in this situation, I do agree that in many...

Asides.

Mr. D. St.E. KELLMAN: On a point of order. Mr. Speaker, the Honourable Member is misleading this Honourable House by making the point that what I am saying is inaccurate and convoluted. The Honourable

Member would have to prove these things to this Honourable House.

MR. SPEAKER: Honourable Member, I do not think those things would be allowed. You would have to withdraw those words, please.

Hon. Miss H. E. THOMPSON: Mr. Speaker, I take the Honourable Member's point that in very many auctions...

Asides.

MR. SPEAKER: Honourable Member, you would have to withdraw those words first.

Hon. Miss H. E. THOMPSON: I beg your pardon?

MR. SPEAKER: You would have to withdraw those words first.

Hon. Miss H. E. THOMPSON: Withdraw "convoluted"?

MR. SPEAKER: Yes, referring to the Honourable Member's speech.

Asides.

Hon. Miss H. E. THOMPSON: Mr. Speaker, I withdraw it. Mr. Speaker, I was making the point that the Honourable Member has a way of expressing himself, that is almost incomprehensible. It is a fact that there is a core of persons who are visiting auctions and buying properties, simply because they have access to cash.

Mr. Speaker, I think that, at some point, the country and this Honourable House is going to have a discussion about property and ownership, because where individuals have money and access to capital, it is extremely difficult to stop them from owning things, when they are in a position to buy them.

Mr. Speaker, the society in which we live, which is essentially a capitalist society, has always protected the open marketplace, and the capacity to contract, where a willing owner of whatever property - motorcar, land, house, company or shares - could sell that property.

Sir, our Constitution, our system of governance and business, have always allowed persons to sell their properties to whomever they would wish.

Sir, it is very easy for us to talk about intervening in private sales but the reality is...

MR. SPEAKER: That was not his point. His point was whether Government should do that, whether Government should be performing like an individual.

Hon. Miss H. E. THOMPSON: Mr. Speaker, that is the point I am making, and Government has to go to the marketplace because there are not two sets of rules for ownership. Government is the Government of all the people, of all the taxpayers, even the people who get reversed tax credit. Therefore, as a Government, we can set criteria which are transparent, which are objective and which could stand up to scrutiny. In fact, in respect of the sale of National Housing Corporation houses, there are certain set criteria where National Housing Corporation is selling a housing development. These criteria are:

- (a) persons must be a first-time homeowner;
- (b) persons must be a resident in Barbados;
- (c) persons must not own any other land;
- (d) persons must be able to afford the purchase; and
- (e) persons must be in a certain salary scale.

Therefore, a set of criteria could be established and worked within.

Mr. D. St.E. KELLMAN: On a point of order. Mr. Deputy Speaker, the Honourable Member is misleading this Honourable House by giving the impression that in relation to auctions, those rules also apply.

Hon. Miss H. E. THOMPSON: Mr. Speaker, if the Honourable Member had given me the opportunity, I would have gone on next to the auctions. Sir, the National Housing Corporation has a normal rule, in respect of lands in housing developments, where it has one or two parcels. Sir, invariably, the National Housing Corporation would not auction enough parcels of land to constitute a housing development. When the National Housing Corporation does an auction, invariably it is one or two parcels, at a particular location. It is true that in those situations, market circumstances prevail; invariably, it is the person who comes with the larger amount of money.

Mr. Speaker, in this situation, where it is a parcel of land at Wanstead, St. Michael, being sold, I can assure this Honourable House that I know people who are interested in this particular property. These persons are exactly the kind the Honourable Member for St. Lucy is concerned about, who are interested in purchasing this particular property. Sir, there is going to be no shortage of persons from the communities and Barbadians, who are going to want to buy this.

Mr. Speaker, I think that we need to make the wider point that we have to have a debate about private ownership of properties. As I said earlier, in our system of governance, in our marketplace, where an individual is the owner of properties, whether that property is cash, a house, a parcel of land, a company or shares, the Government cannot tell that individual to whom he or she must sell that property. It is always the situation of a willing buyer and a willing seller coming to the point of contract and business agreement.

Sir, we have to be very careful how we say Government would intervene in private sales because at some point, Government would then tell you to whom you could or could not sell your piece of land, your house, car or shares. Therefore, you would be creating a very dangerous precedent.

Mr. Speaker, we have to have that discussion and debate, of a small country in an open and globalised international marketplace, where it could continue to survive and hold on to traditions, land, values, et cetera, to which we hold dear, when we are being buffeted by international considerations of sale or purchase, in relation to a wide range of issues. Sir, that discussion has to take place.

Mr. Speaker, the history of these properties at Wanstead is a very interesting one. Sir, they came to be held by Government, in circumstances where our Civil Service used to be an expatriate Civil Service, coming largely from the United Kingdom. Therefore, as a consequence of that, when people came out to the colonies or to the islands, there were a number of terms and conditions, over and above their financial remuneration, with which they had to be provided.

11.40 a.m.

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Hon. Miss. H. E. THOMPSON: I am much obliged to you, Sir.

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

Hon. R.R. FARLEY: Sir, I would use the opportunity of winding up to respond to the assertion, inaccurate as it was, by the Honourable Member for St. Lucy, that the National Housing Corporation should be the Government agency, which makes huge profits, because, according to his miscalculation, it receives land free, and is able to make sales without incurring any expenditure. Sir, nothing could be further from accuracy.

Mr. Speaker, the Government of Barbados, as the owner of the National Housing Corporation, from time to time has several options. You could either provide cash injections, for the National Housing Corporation to go on the market to buy land to develop to sell, or you could provide land for the National Housing Corporation either at a cost or no cost. If provided at no cost, it plays the dual role of providing land for development, as well as some measure of cash injection. However, I have never yet known of any developer, Government of private sector, who were able to transform raw land, open land, into developed residential lots at no cost. There is no single individual that has been able to achieve that.

Sir, take the area of this Resolution. I first visited this area in 1971, when the Scout Jamboree was held. I remember catching a Holders Hill bus. The bus travelled pass the University of the West Indies, where there was a small road.

Asides.

Hon. R.R. FARLEY: Sir, a Walmer Lodge bus. The Honourable Member for St. John would correct me because he knew the routes there better.

Sir, the bus would have passed by the university, along Hinds Hill, towards the Meteorological Institute, and we would have disembarked somewhere along there. We walked down a cartroad, through the bush, a pathway, and, I remember, we ended up by what is now the Amateur Radio Society, on Oxnards main road. There is a radio tower overlooking West Terrace windmill, that is where we camped for a day to cut down some bush to make room for the Scout Jamboree, in 1971. I was a young scout.

Asides.

Mr. D. St.E. KELLMAN: Mr. Speaker, on a point of order. I waited for the Honourable Member to show by identification that he knows the area well. It is clear to me that the Honourable Member has forgotten that the National Housing Corporation took land from the Government of Barbados, and sold it directly to the real estate agents of Barbados, without any development.

Sir, the Government gave National Housing Corporation land and they sold it directly to the real estate agents, who would have incurred cost. The mere fact that the Honourable Member knows where the Walmer Lodge bus used to travel, he would also know that after you pass the houses on the right, going across Cave Hill, before you reach to Mr. Arthur's property, there is a private development, where the land was previously owned by National Housing Corporation and sold to a private developer, who built the houses and sold them. There was no cost to National Housing Corporation, but they were

able to take the land from the Government, and sell it directly to a real estate agent.

Hon. R.R. FARLEY: Mr. Speaker, I would not even bother to respond to the Honourable Member. The point is, all of the raw open land, all that the eye could see and survey, back in 1971, in order to be transformed to what it is today, including the section we are talking about, at 6th Avenue and Wanstead main road, was developed at a cost to the National Housing Corporation. Sir, whether it was in 1971 or 2007, you have to construct roads, you do not get them free, you have to put in electricity, water and sidewalks, you do not get those free.

Sir, the Honourable Member, who is a major land owner, in St. Lucy, I am sure has conducted a development or two in his time, and is well-aware that when...He is my friend and I am very proud of him, Sir.

Mr. SPEAKER: He said not one or two.

Hon. R.R. FARLEY: Sir, many.

Sir, the Honourable Member knows that when the Town and Country Planning Department, approves your application to sub-divide land into a number of lots, let us say fifty lots, that approval comes with conditions, and the conditions would include the width of the road, turning bays, and turning radius of each corner, where the wells are to be located. The Ministry of Public Works must approve the quality of the road, electricity, water and sidewalks must be provided, you must plant a tree on each lot, you must provide an open lot as public recreation space, and so on.

Mr. Speaker, you cannot get the Certificate of Compliance, which is an essential part of the documentation which the purchaser will require, and the purchaser's lawyer will not allow any money to pass without that documentation. Sir, you cannot, as a developer, whether that developer is Moon Town Inc. or the National Housing Corporation, get the Certificate of Compliance, until you have put in the money to develop that land. Sir, for example, take Coverley, which is a more recent development, the infrastructure cost alone, roads, electricity and water, was \$5 million.

Sir, before you sell a spot, to covert from raw land to developed land is sometimes millions of dollars. It would be totally erroneous for the Honourable Member to suggest and, indeed, to assert, that the National Housing Corporation should be usually profitable because it got free land and sold it for a profit, as if there were no expenses involved.

Mr. Speaker, I would be assumed that Moon Town does not get free food for sale. Sir, included in his revenue

from sales are expenses. It is a basis business concept. Mr. Speaker, even if he were given free food, he would still have the cost of warehousing and food preparation.

Sir, when we take the cost to develop the Wanstead area, which is the subject of this debate, those roads would have been developed at a cost to the Government. The electricity and water were installed at a cost to the Government, even though in Wanstead Terrace and West Terrace, some of the houses would have been built in a joint venture arrangement with private developers, for example, in West Terrace, there were approximately six builders, who constructed the houses, but the land and infrastructure were provided by the National Housing Corporation, and the project jointly sold.

Sir, I hope that the Honourable Member is not advocating, that the National Housing Corporation should deviate from Government's policy, that is, they should be moderate in the price at which they sell the land. I hope that the Honourable Member is not proposing full cost recovery and profits on the backs of poor people, we are trying to help, by way of selling the land at a low price.

Sir, the cost today is in the order \$5 to \$6 per square foot, to change the land from raw land to developed land. If the Honourable Member wants to see a large profit, he should be the one to propose that we increase the price of land, but we will not be in a position to act on his advice. We have no such intentions to follow bad advice.

12.00 p.m.

Sequence 12

Tuesday, July 10, 2007

House 140, Sequence 13, 12.00 p.m.

Hon. R.R. FARLEY: . . .

Mr. D. St.E. KELLMAN: Mr. Speaker, on a point of order. The Honourable Member is misleading the House by giving the impression that this property, which is now being given to NHC at no cost, that there should not be a value attached to it before it is sold. Sir, if you are using the argument about land, you also have to use the argument as it relates to this sale.

Surely, there will have to be a value to this property, even though the NHC is not paying the Government one cent for it, Sir, for the simple reason that this property might be valued \$1 million and the NHC is not paying the Government \$1 million, but the NHC is getting this property free of cost (FOC) from Government. Sir, because it is getting it FOC it does not mean it could sell it for \$50. I am hoping, Sir, that the Minister is not saying that this

does not cost the NHC anything so the NHC is free to sell it as it likes.

Hon. R.R. FARLEY: Mr. Speaker, I thank the Honourable Member for that point of disorder.

Mr. Speaker, the Honourable Member is asserting that in his view, the NHC should be making millions of dollars on the backs of poor people. I hope, Sir, he is not proposing that the NHC should move from the provision of subsidised rental accommodation for people in Barbados.

Indeed, Sir, one of the challenges we have is that our rents which are heavily subsidised are hardly enough to cover the maintenance cost. The Honourable Member's formula and what I understand to be his recommendation, would have us increase the price at which we sell the land, and have us increase the rents, so that we could please him by being usually and spectacularly profitable.

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 could be speaking about disposal of assets, and you allow us to speak about rents, while speaking about disposal of assets. Sir, you know you would not allow any such thing to happen in your House.

Mr. SPEAKER: Honourable Member, you are going a bit far now. In your wind up you are not supposed to be bringing in all this new matter, you know that, Sir.

Hon. R.R. FARLEY: Mr. Speaker, I am guided by you. I am speaking about the profitability issue that was raised.

Sir, the bottom line is that this property at No. 92 Wanstead Terrace, at the corner of 6th Avenue and Wanstead Main Road, would have been part of the standard approach to development that is used by the National Housing Corporation, which notwithstanding the Crown lands as an input would have been free to the NHC to be sold, all of the expenditure associated with moving into that very wonderful area...

Asides.

Hon. R.R. FARLEY: Of course.

In fact, I lived in that area for several years and it is one of the most pleasant areas of Barbados in which to live, and you, Sir, are not too far away. Sir, that area has grown tremendously over the years and really is one of the more pleasant area, both aesthetically and from a social perspective, in Barbados in which to live.

Sir, that development has come at a cost. The Government is committed to incurring such cost as is

essential and necessary, in order to provide high quality residential developments for the population of Barbados. We will, however, as indicated in an early debate on these matter, seek to forego profits in some cases, or to moderate it, so that we will be able to put these properties on the market at a reasonable cost.

As I indicated, Sir, based on the recommendations of Honourable Members, there will be in this matter, as in the previous one, an open and transparent sale process so that all who are interested have the opportunity to put forward their bids but also, so that in the public interest and the NHC acting on behalf of the public, will be able to maximise any possible returns, which are to be generated by way of this sale.

I can also give notice, Sir, that you can expect on an ongoing basis, from time to time, that similar proposals will come before this Parliament for the disposal of several of these residences.

Sir, what would have ushered in the need to provide these residences, no longer exists, which is, that these residences were provided as part of the terms and conditions of service of a number of persons employed by Government in a bygone era. Sir, such conditions are no longer attached and therefore the Government does not need to maintain residential accommodation for such purpose.

Sir, with those few responses to issues raised in this particular debate, I beg to move that this Resolution do now pass.

Hon. Miss H.E. THOMPSON: I beg to second that, Sir.

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

ORDER No. 6 -

THE PROPERTY TRANSFER TAX (AMENDMENT) BILL, 2007

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

Mr. C.A. MASCOLL: Mr. Speaker, this policy was enunciated by the Prime Minister, the Rt. Honourable Member for St. Peter, in his Budgetary Proposal on the 14th March this year. It is a policy that intends to reduce the Property Transfer Tax from a high of 7.5 per cent to 2.5 per cent. It is intended that this rate is now operational for the fiscal year, 2007.

Mr. Speaker, the policy is consistent with the overall move within CARICOM to use best practice and make available the best possible fiscal environment for persons intended to settle here, by way of investment.

Mr. Speaker, there is also another amendment to this Bill, which is that in concert with the Land Tax provision, the actual exempt level for Property Transfer Tax will move from \$125 000 to \$150 000, effective the next financial year, 2008.

Mr. Speaker, to say that this piece of legislation, I do not mean it pejoratively, excites me is an understatement, because back in the year 2001, there was no one who was as bitterly opposed as I, to the increase of the Property Transfer Tax at the time it was raised to 10 per cent.

I want, by way of explanation, to let the public know how pleased I am with the fact that the Property Transfer Tax in Barbados is now being reduced to 2.5 per cent. Sir, in order to demonstrate why I consider this policy to be so relevant and, in fact, evolutionary in some sense, I have to go back and explain the nature of the policy at the time.

At some stage in Barbados' fiscal history, both the vendor and the purchaser, once they were foreign, paid a property transfer tax. On the local side, only the vendor paid the Property Transfer Tax at the time. Sir, it was felt that in concert with the principle of non-discrimination, there should be a levelling, that is, a similar tax charge on both the vendor who is foreign and the vendor who is local.

In light of that desire to remove the discrimination that existed, the Government increased the Property Transfer Tax for the local vendor from 5 per cent to 10 per cent. Therefore, both the local and foreign vendors paid the Property Transfer Tax at a similar rate.

House 140, Sequence 13, 12:10:14

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Hon. C. A. MASCOLL: Mr. Speaker, that, therefore, is a deliberate attempt to reduce the incidence and the levels of taxation in Barbados. As I said, the policy can be reflected in both manifestos of the two Parties. Therefore, regardless of what you are saying, there was a recognition that there was need to adjust the tax burden and the level of taxes in Barbados, and that has been pursued. Sir, not only has that happened, but later in my presentation, I will refer to a measure that we are seeking to introduce this morning, to further reduce the level of taxation in Barbados.

Mr. Speaker, I want you to think in terms of the other macroeconomic effect, that is, Government has to earn foreign exchange as a means of sustaining economic growth and development. Therefore, if Government is

pursuing a policy of reducing the level of taxes on foreign companies, and is permitting these companies to be established here in Barbados, then the opportunity for higher potential or the capacity to earn foreign exchange is certainly enhanced, as a result of this measure. Mr. Speaker, this measure also has the potential of allowing Government to get more foreign exchange, over the next few years, as long as companies find Barbados more attractive for establishing registered companies.

Mr. Speaker, if that is so, and the price of land is lowered as a result of this policy, then it becomes cheaper for business to establish companies, that is the physical structures in Barbados. Therefore, as a consequence, there is also an employment effect that could occur, as a result of the reduction of the Property Transfer Tax. That is the other macroeconomic effect that could result from the Property Transfer Tax reduction.

Mr. Speaker, if it is that reducing the Property Transfer Tax increases the potential for investment, there is, by implication, a growth effect resulting from this policy. Therefore, in fact, we all know that investment is the engine of economic growth, to the extent that this policy facilitates higher levels of investment, it means that there would be greater opportunities for growth, resulting from this policy.

Mr. Speaker, in short, this Property Transfer Tax reduction has the capacity to earn more foreign exchange for Barbados. It has the potential to lower the tax to Gross Domestic Product ratio because it is a reduction in Government's tax collection. It has the potential to reduce the price of land and property because of the increase exemption amount but also the reduction in the rate. It also has an employment effect, as well as a growth effect on the macroeconomic side.

Mr. Speaker, it is satisfying and extremely pleasing to see this kind of policy being introduced, at this time, in Barbados. It is deliberate in its intent. It has an obvious desire to further enhance our capacity as a country, to be competitive. It also allows for smaller people to have a chance to play because of the reduced incidence of taxation, occasioned by the reduction in the Property Transfer Tax.

Mr. Speaker, I must confess the pleasure which I feel because the consistency of policy is reflected in Government's increase in the exemption level. Sir, not only has Government increased the exemption level because it intends to increase the Land Tax exemption level to \$150 000, by financial year, 2008, but we recently introduced a Catastrophe Fund for low income houses that will also have a threshold of \$150 000, that is, below that level, people would be entitled to benefit from the Catastrophe Fund and therefore there is overall consistency of policy.

Asides.

Hon. C. A. MASCOLL: Mr. Speaker, furthermore, in recent times, the Government moved towards increasing those who can benefit from the Reversed Tax Credit, not only those who can benefit by way of increasing the income level to permit such benefit, but also by increasing the amount by which people would benefit through the Reversed Tax Credit. Therefore, one can begin to see a set of policies that seriously focus on addressing where the market would fail, and Government has to intervene.

Mr. Speaker, in a philosophical way, I am not about "isms". I am not about communism or about socialism and these kinds of things. I am about getting things done for the people. In fact, I believe in pragmatism, and that is the "ism" that I love. Sir, let me explain what I am saying because you have to understand that when you become too caught up with the leftist side of things, you begin to deny the reality of the market. Therefore, the marketplace has its role in determining price and therefore, allowing people to get what they can from the price offered in the market.

Mr. Speaker, what is more critical is that there would be persons who cannot play in the market, at the prevailing price. Sir, that is when Government intervenes on the behalf of those who cannot afford the price the market offers, and that is classical Government's intervention.

Sir, I am, therefore, for a mix of the market, with a recognition that Government has to intervene, when appropriate. Mr. Speaker, this is the kind of policy that permits Government to do that. It allows us to understand that in this environment, a property transfer tax, which has a price, may not be the appropriate price in the market, at this stage, because of the fact that:

(1) You are seeking to encourage land and property ownership;

(2) You are seeking to encourage higher levels of investment and therefore you must make the market more competitive;

(3) You are seeking to earn foreign exchange by way or from the competitiveness that would result; and

(4) You are seeking to enhance employment and growth opportunities.

Mr. Speaker, in such circumstances, therefore, I cannot think, at this time, of a tax policy that could be more wide-ranging in its incidence and certainty than this Property Transfer Tax.

Mr. Speaker, I must confess that I do not like to come back after Sessions, when I am batting. Sir, if I may

be permitted, within the context of what we are addressing here this morning, I want to introduce a policy that has been referred to by the Right Honourable Prime Minister, a policy that will further enhance the capacity of a group of individuals within the economy, who will be only too happy to hear what Government is introducing, at this time.

Mr. Speaker, in the early 1990s, the threshold for pensioners exceeded the income threshold for the workers of Barbados; that is, in 1992, the tax free threshold for pensionable income was \$20 000, and at that time, it was a \$15 000 income tax threshold for income earners. Sir, by 1998, the threshold for income tax relief for pensioners was \$30 000. It would have been \$15 000 more than the income tax threshold for workers in 1998.

12.30 p.m.

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(EDITED)

Mr. C.A. MASCOLL: Mr. Speaker, I want to suggest to you that it is believed and was always felt that the \$15 000 differential that existed at the time should have been retained over the years. Sir, the Government is now in a position, where the tax relief threshold for pensionable income will be 40 000 for all pensioners. Sir, what that does is it removes the tax paid by any N.I.S. income pensioner in Barbados and, therefore, allows a person who is not only getting National Insurance but other forms of pensionable income to be exempted from the first \$40 000 of that income.

Sir, that is a major policy but it is consistent with the differential that existed in 1998, when it was raised to \$30 000 and the overall income tax-free threshold was \$15 000. Sir, now that we have raised, over the last four years, the income tax threshold to \$25 000, it is only but appropriate to maintain the differential and increase that for pensioners to \$40 000.

Mr. Speaker, what is fascinating about this policy is that it is again consistent with the proposed policies of the two political parties in their manifestos of 2003, but now, Mr. Speaker, there has been execution by the Government with respect to these measures. Sir, no one on the other side could object to Government....

Mr. SPEAKER: Sir, are you saying that there is a new additional measure here for pensioners to \$40 000?

Mr. C.A. MASCOLL: Mr. Speaker, I am proposing that for income year 2007 that the personal allowance for pensioners be increased by an additional \$10 000.

Mr. D. St. E. KELLMAN: On a point of order, Sir, is this in the Bill that we are discussing?

Mr. SPEAKER: It is an addition to the Bill.

Mr. D. St.E. KELLMAN: It is? It has not been circulated.

Mr. C.A. MASCOLL: Mr. Speaker, I now propose to increase from income year 2007, the personal allowance for pensioners by \$10 000 from \$30 000 to \$40 000 per year.

Hon. Dame BILLIE MILLER: Mr. Speaker, on a point of order. Sir, the people of Barbados will hear it whether the Honourable Member for St. Lucy likes it or not.

Mr. D. St.E. KELLMAN: Mr. Speaker, on a point of order. We are dealing with property transfer taxes and this is a contravention of the Rules of the House.

Mr. C.A. MASCOLL: Mr. Speaker, I have said that as far back as 1998, the difference between the personal allowance for pensioners and personal allowance for workers was \$15 000. As a result of the policy of the Government, which was a proposal from both sides of the House during the 2003 election, to increase the personal allowances from \$15 000 to \$25 000 by 2007, I am now suggesting that the Government has agreed to retain the differential that existed in 1998 and increase the personal allowance for pensioners from \$30 000 to \$40 000.

Mr. SPEAKER: Sir, according to the Rules of the House, there is nothing wrong with you mentioning but it cannot be brought into law here today. You can mention it, as you did, and in the future it can be brought as a proposal but, according to the Rules of the House, it cannot be brought into law here today.

Mr. C.A. MASCOLL: Mr. Speaker, I am well aware of it. What we are doing here is consistent of the strategy of Right Honourable Prime Minister, who long before a policy is really introduced, allows the people of Barbados to know that you can anticipate that such would happen in the future and increases the certainty of the policy, there is far greater clarity of incidence because people have had time to digest the intent of the policy. Sir, that is what we are doing here today.

Asides.

Mr. C.A. MASCOLL: Mr. Speaker, they have to support it because it is a policy designed to assist the average pensioner and is consistent with the policy of the Government of reducing the level of tax burden on Barbadians.

Mr. Speaker, there is no doubt in my mind that the proposal to reduce the Property Transfer Tax from 7.5 per cent to 2.5 per cent is a remarkable policy, at this time, in terms of enhancing our competitiveness, giving us consistency across CARICOM, moving towards convergence and harmonisation of fiscal policy and also thinking in terms of reducing the burden of taxation on the average Barbadian. Sir, the reason this year is such a critical year in the economic affairs of Barbados is that, as happened last year, there will be substantial increase in nominal GDP. Sir, while you can reduce the rate of a tax, the economic growth would increase the base of the tax and if that happens, as is forecasted, it means that Government would not lose the extent of the revenue because it is a good year for economic growth, sustained from 2006 and would continue into 2007.

Mr. Speaker, if the Minister of Tourism will permit me, I would explain a phenomenon that has occurred this year, where in anticipation of World Cup, several tourists have delayed their vacations to Barbados and, in fact, we are now seeing in the second quarter of the year, an increase in tourist arrivals that would have normally occurred in the first quarter. Sir, to that extent, World Cup is, therefore, sustaining the winter season.

Mr. D. St.E. KELLMAN: Mr. Speaker, on a point of order. The Honourable Member is misleading the House. Sir, today the Appropriation Bill is being laid before this House because, based on this speech, the Honourable Member is discussing the Appropriation Bill, even though it has not been discussed as yet. Sir, as you know, it is in breach of the Rules because we cannot discuss the Appropriation Bill.

Mr. SPEAKER: Honourable Member, this is not the Appropriation Bill that we are discussing. Honourable Member for St. Michael North West, you may proceed.

Mr. C.A. MASCOLL: Mr. Speaker, what we are really doing here today is giving Barbadians a feel for what proper management of an economy can do in terms of allowing a Government to offer benefits that would be derived as a consequence of such management. Therefore, it does not require Government to wait until 2008 or 2009, given the outcome, to offer such benefits to the public of Barbados.

H140/12:40

Sequence 16

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Hon. C.A. MASCOLL: Sir, I said it from the start, and I am going to end my speech now, it is truly satisfying, for me, after being critical, extensively so, of the Property

Transfer Tax, over the years, when the Property Transfer Tax was as much as 10 per cent in Barbados. It was reduced to 7.5 per cent four years ago, now it is being reduced further to 2.5 per cent, in 2007. Sir, I am suggesting that there is an enormous sense of satisfaction and it makes me feel proud, I must confess, to be able to introduce such a policy at this time.

Sir, it does suggest that it confirms that when you speak from a position of knowledge, when you speak from a position of conviction; when you speak from a position of the heart; when you speak because you truly want to carry this country forward, and feel passionate about it, the fact that you can now join a Government that is fully onboard and is embracing those of thoughts, while sustaining the measures that have been in place since 1994, and that understands this is really a transition year in the economic history of Barbados... Sir, 2007 is a transition year in every sense of the word, because it is a year that will allow Government to make decisions on the revenue side, as a result of the strong growth that is anticipated. Sir, when you make those adjustments, you do not have to worry too much about the fallout, because there is going to be a compensating increase in economic activity to offset the rate of the tax. Sir, that is going to happen.

Sir, do not worry about foreign exchange at all, because, again, we have been able to sustain the growth of foreign exchange. In fact, as I speak to you, on July 5, 2007, the foreign reserves of Barbados are now \$310 million more than they were for the corresponding day, last year and that is not as a result any borrowings.

Mr. Speaker, you have to understand that I really believe that the restructuring in the sugar industry, the reposition of the tourism sector, and this a policy that will enhance the ability of foreign investors to register in Barbados, those are the things that will redound to the restructuring of the Barbados economy, to facilitate the foreign exchange earning capacity by the Government and its economy, therefore, placing this economy in a position where it can be on a sustainable growth path. I will say this again and again, 2007 will be a transition year for the Barbados economy.

Sir, I really hope that Barbadians understand that this is the sine qua non for further sustainable growth and development in this economy, and the ship of State must be run by those who can handle what the future holds. It is not about anybody grandstanding. It is about a clear understanding of the policies and programmes that are required for us to sustain this economy and society, into a future that we all can be proud of.

Mr. Speaker, I thank you. I beg to move that this Bill be read a second time.

Mr. SPEAKER: The Honourable Member for St. Lucy. I heard that you are going to speak for five minutes, but I have never known that to be possible. Proceed, please.

Mr. D. St.E. KELLMAN: Mr. Speaker, it is clear to me that what we seeing today a transfer of Government's responsibilities to the private sector. It is clear that the reduction in the property transfer tax, is a shift from Government's revenue, and the private sector of Barbados is now being ask to pick up the tab, in terms of Government housing.

Sir, when one considers Government has admitted that what we are seeing today is a 66 per cent reduction, as opposed to a 25 per cent of the land share that is supposed to be transferred to the Government, for the masses of Barbados; what we are seeing is Government now is now shifting its responsibility in terms of property and housing for the poor to the rich, in exchange for a shift in property transfer taxes.

Sir, it is also interesting that we are seeing that the masses of Barbados, have sold their properties to the rich and famous and the rich and famous will now be able to sell this land at a reduced transfer tax, whereas the people of Barbados would have sold it at a higher transfer tax rate.

Sir, you are seeing a major shift where the Government...

Hon. C.A. MASCOLL: Mr. Speaker, on a point of order. The Honourable Member for St. Lucy is certainly misleading this House. If the property transfer tax is imposed on the first dollar after the \$150 000 exemption threshold, then you are suggesting to me that rich people are the only ones who will benefit from a reduction of the property transfer tax. That certainly is not true.

Mr. D. St.E. KELLMAN: Sir, as I said early, the Government would have, through the Land Acquisition Act or the Tenancies Freehold Purchase Act, transferred the land that was owned by the masses of Barbadians.

Asides.

Mr. D. St.E. KELLMAN: Sir, I said that I am speaking for five minutes, so I will not be distracted.

Sir, what you are seeing here today is the Government preparing a platform for all of those major developers, and I can fault no developer in Barbados who refused to sell land until they receive this deduction. Sir, I cannot complain if Sandy Lane decides from tomorrow that they want to sell spots, because the climate is now right.

Hon. C.A. MASCOLL: On a point of order, Sir. Again, the Honourable Member is misleading this House.

In fact, from April 1, 2007, this policy was in vogue. Sir, lawyers have been able to charge 2.5 per cent on transactions occurring April 1, 2007. In any case, if you were suggesting that over the years big people were buying up Barbados, what is it in this policy would allow that to happen?

Mr. D. St.E. KELLMAN: Sir, they bought the land, held it, and now they can sell. Sir, do not forget that it was not the purchaser who had to pay the transfer taxes, it was the vendor. They are now the vendors. They will not have to pay 7.5 per cent transfer tax. They will now have to pay 2.5 per cent.

Hon. C.A. MASCOLL: Mr. Speaker, on a point of order. Again, the Honourable Member for St. Lucy is misleading this House. The Honourable Member is a well-known businessman, and he knows that the incidence of a tax is determined by who pays it, not on whom it is imposed. He knows that in any such transaction, the purchaser pays the tax. That is well-known, even though in law, it is supposed to be imposed on the vendor.

Mr. Speaker, if you were selling land or property and had to pay property transfer tax, I am sure you will make provision for the purchaser of the land to pay the tax, that is normal.

Mr. D. St.E. KELLMAN: Sir, the most fundamental point that was made today is, the proposals of 2003, from the Opposition, concurred with the proposals of the Government, as a result the Opposition should not complain. It is a point that I would have to ponder and study for a long time.

Asides.

12.50 p.m.

Sequence 17

Tuesday, July 10, 2007

House 140, Sequence 18, 12.50 p.m.

Mr. SPEAKER: The Minister will now wind up.

Mr. C.A. MASCOLL: Mr. Speaker, the contribution of the Honourable Member for St. Lucy was more searching in its political intent than in its merit, in terms of what he said, so there is nothing really to respond to, therefore I move that this Bill be read a second time.

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

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

On the motion of Mr. C.A. MASCOLL, seconded by Hon. R.C. EASTMOND, the House resolved itself into Committee on the Bill, Mr. R.D. MARSHALL in the Chair.

COMMITTEE

CHAIRMAN: This House is now in Committee.

Clauses 1, 2, 3 and 4 were called and passed.

On the motion of Mr. C.A. MASCOLL, seconded by the Hon. Dame B.A. MILLER, Mr. CHAIRMAN reported to His Honour the SPEAKER the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motion of Mr. C.A. MASCOLL, seconded by the Hon. R.C. EASTMOND, the Bill was read a third time and passed and cited as the Property Transfer Tax (Amendment) Act, 2007.

ADJOURNMENT

Hon. R.C. EASTMOND: Mr. Speaker, this brings us to the end of Government Business for today's Sitting and I beg to move that this House be adjourned until Tuesday, July 17, 2007 at 10.00 a.m.

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

The question that this House be adjourned until Tuesday, July 17, 2007 at 10.00 a.m. was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.

House 140, Sequence 18, 12:55:25

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CHAIRMAN,

EASTMOND, Hon. R.C.

FARLEY, Hon. R.R.

KELLMAN, Mr. D. St.E.

LYNCH, Hon. N.A.

MASCOLL, Mr. C.A.

MILLER, Hon. Dame BILLIE

THOMPSON, Hon. Miss H. E.

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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. Papers. After the papers laid on behalf of the Minister of Economic Affairs and Development, Hon. R. C. Eastmond's speech continues 'On behalf of the Honourable Minister of Energy and Environment, I am commanded to lay the following:', but no paper follows before Hon. N. A. Lynch lays his paper. Something may be missing. Printed as in the source.

Q3. Papers, item 7, and Notices, item 2. The source reads 'Value Added Order Tax Order, 2007' and 'University of the West Indies (Guarantee of Loans Bill), 2007' (at first reading, 'The University of the West Indies (Guarantee of Loans Bill), 2007'). Printed as in the source.

Q4. Order No. 9. The heading places No. 92 Wanstead Terrace 'IN THE PARISH OF SAINT JAMES', but the Minister describes the property as 'No. 92, Wanstead Terrace, St. Michael'. Printed as in the source.

Q5. Order No. 8. The heading gives the purpose as 'DISPOSAL BY WAY OF SALE OR LEASE', while the Minister moved the Resolution for 'disposal by way of sale'. Printed as in the source.

Q6. Order No. 9, opening of the Minister's speech. A take-slip, 'House 140, Sequence 08, 11:20:14', is run into the text of Hon. R. R. Farley's first sentence. Printed as in the source.

Q7. Order No. 8 (about 10.50 a.m.) and Order No. 6. The source carries the stray heading '(EDITED)' twice, within Hon. Miss H. E. Thompson's speech and within Mr. C. A. Mascoll's speech. Printed as in the source.

Q8. Order No. 9, Minister's reply, take-slip about 12.00 p.m.. After the take-slip a speech label for Hon. R. R. Farley is followed only by '...'; some text may be missing. Printed as in the source.

Q9. Order No. 9, point of order. Mr. D. St.E. Kellman addresses 'Mr. Deputy Speaker' in one point of order, while the surrounding rulings are labelled Mr. SPEAKER. Printed as in the source.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The House of Assembly met on Tuesday, 10th July, 2007 at 10.15 a.m., with His Honour I. A. Roett, Speaker, in the Chair; prayers were taken by Rev. Canon Ivan Harewood. The Minutes of 26th June were confirmed. The Prime Minister, Rt. Hon. O. S. Arthur, laid eleven papers, among them the Environmental Levy Order, 2007 and the Central Bank's Annual Report for 2006; Hon. R. C. Eastmond laid the Strategic Plan for the International Business Sector, 2007-2012. Three Bills, including the Final Appropriation Bill, 2006-2007, were read a first time and Standing Orders were suspended.

Under Order No. 8, Hon. R. R. Farley, Member for Christ Church East, moved the Resolution vesting in the National Housing Corporation the Crown property at No. 42 Paradise Heights, St. James, explaining that the Crown owned some 478 properties and was divesting residences once provided to public officers. Mr. D. St.E. Kellman argued that the Land Acquisition Act and the Tenancies Freehold Purchase Act had worked against poor people; certain of his remarks were ordered expunged. Hon. Miss H. E. Thompson, in whose constituency the property lay, asked for a sale at market value in an open process, and Hon. R. C. Eastmond raised a family's land claim dating from 1956/1957. In reply the Minister said landlords under the tenancies scheme received full market value. The Resolution was agreed to.

Order No. 9 vested No. 92 Wanstead Terrace, a former residence for psychiatrists, in the Corporation for sale. Mr. Kellman said the Corporation was being financed with land bought by taxpayers and sold at auction; Hon. Miss Thompson was required to withdraw the word 'convoluted'; and in reply Hon. R. R. Farley said developing raw land cost \$5 to \$6 per square foot and promised an open sale process. The Resolution was agreed to.

Under Order No. 6, Mr. C. A. Mascoll moved the second reading of the Property Transfer Tax (Amendment) Bill, 2007, reducing the tax from 7.5 to 2.5 per cent and raising the exempt level from \$125 000 to \$150 000 from 2008. He announced that the personal allowance for pensioners would rise from \$30 000 to \$40 000; Mr. Kellman objected that this was not in the Bill, and Mr. Speaker ruled it could be mentioned but not enacted under the Bill. Mr. Kellman argued the cut benefited large developers; Mr. Mascoll replied on points of order that the 2.5 per cent rate had applied since 1st April, 2007. The Bill

passed all stages, Mr. R. D. Marshall chairing the Committee.

On the motion of Hon. R. C. Eastmond, seconded by Hon. Dame B. A. Miller, the House was adjourned until Tuesday, 17th July, 2007 at 10.00 a.m.