
THE

House of Assembly Debates

(UNOFFICIAL REPORT)

FIRST SESSION 2013 – 2018

HOUSE OF ASSEMBLY

Wednesday, August 14, 2013

The House of Assembly resumed on Wednesday, August 14, 2013, the Sitting of Tuesday, August 13, 2013 having been suspended.

PRESENT

The full list of Members present is to be inserted from the Votes and Proceedings. Members identified from the record of this Sitting:

His Honour M. A. CARRINGTON (Speaker)

Hon. D. St.E. KELLMAN (Minister of Housing, Lands and Rural Development)

Hon. Miss M. A. MOTTLEY, Q.C. (Leader of the Opposition)

Hon. R. D. JONES, J.P. (Minister of Education, Science, Technology and Innovation)

Hon. R. L. SEALY (Minister of Tourism)

Hon. J. D. E. BOYCE (Minister of Health)

Hon. S. A. LASHLEY (Minister of Culture, Sports and Youth)

Mr. E. G. HINKSON

Miss S. J. O. BRADSHAW

ORDER NO. 3 – FINANCIAL STATEMENT AND BUDGETARY PROPOSALS FOR THE YEAR 2013

Mr. SPEAKER: Good afternoon, honourable members. This sitting resumes yesterday. When the suspension was taken, we were order number three. And with that, we shall continue. Honourable member presenting on behalf of Her Majesty's opposition, your allotted television time is two hours, 53 minutes, and you will be alerted when you are almost there. Yes.

Hon. Miss M. A. MOTTLEY: Thank you very much, Mr. Speaker. Mr. Speaker Sir, as I was driving home

last night, I felt an acute sense of responsibility for my country. And I really start on this summary note because I ask myself what really is required to secure the safety and future of this nation. To protect the Barbadian dream. To protect ordinary Barbadians who through no fault of their own now find themselves at the brink in terms of their ability to take care of themselves, whose work may now be put to naught by reason of what has happened in this country, not just yesterday, but in the last few years. This government, sir, effectively has put a stake by their cumulative behaviour and by the choices that they made last night, whether Barbados remains the Barbados that we know or whether it becomes something else. And we have had on occasion to repeat that theme, especially in the last year. But last night it was brought into stark focus. And sir, I asked myself, whether this country recognises what lies before it. Because the truth is that many of the measures delivered in the three hours, people felt pain. They knew they were hit, but they were not sure of the severity of the blow or where exactly it is. And indeed, in the coming days and weeks, they will come to discover the full extent of the blows that were received last night. But Barbadians do not mind feeling pain if there is a distinct outcome at the end of the day that allows us to believe that we will get through it and we will be better off. And regrettably, that was missing.

Mr. Speaker, I believe that the one thing that therefore equips me to address this issue of what really is at stake in this budget. What is it about Barbados? What is it about Barbadian? And I thank God, sir, for all of the experiences, the nurturing, the training, the interaction with people who have served in this country on all sides - from Bree St. John and Henry Ford and Billy Miller, to Earl Barrow and Richie Haynes, to wider people in the Caribbean, interacting with them and understanding what it meant to be able to take young independent countries and to stabilise them, to even those like Rex Nettleford who caused us to understand that development must not only be about material prosperity, but must be about the ability to raise people above their circumstances, particularly given

the history that we have had. And then there were those who taught me at school, sir, primary and secondary school, who helped me to understand not just to study, but how to behave and interact and to recognise that winning is not everything. And that sometimes we may win the battle and lose the war, because the most important thing to keep is a good name, and that trust must be at the centre of all that we do as a people, that values matter. And when, sir, you ask yourself also about what you can learn as I have learned from over half of my life interacting in public life with the ordinary people of this country - from my constituency, to the constituency of the city, now to all over the island. And the recommitment to rub shoulders, to relearn from scratch what people are experiencing in this very difficult moment - that you come to appreciate that our responsibility is to hold their dreams, nurture their dreams, and allow them to live their dreams. Regrettably, sir, there were many Barbadians last night who understood that their dreams have been put to an end.

And sir, it makes sense because all of us at some point understand what is it that matters about Barbados. Barbadians want to own a piece of land, a piece of the rock. Barbadians believe that their children must be educated even if they did not get the full benefit of that education. Barbadians believe in fairness. They believe sometimes in fighting for the underdog and pursuing social justice with a keen sense of reality. So that what has been put at stake, sir, are a number of things. Our identity as Barbadians has been questioned and put at risk by the measures delivered by the Minister of Finance last night. And it wasn't only in the removal of fees - the ultimate betrayal of not just his party but of this country - of fees for university education, free education which we will come to, but it was also in the inability to appreciate that his measures constitute a lucky dip of measures designed to achieve one thing: the unlocking of 50 million US in the first instance from the IDB, but without a coherent strategy to reposition a country and to lift up households and productive sectors that have ceased working in the way in which we have come accustomed to see them work. It caused us, sir, to recognise that identity and what it means to be a Barbadian, to work hard and to be given a fair chance to achieve, has been put at risk. The removal of the obstacles that many have worked for over decades to allow poor people to move into the middle class and middle class people to move out of that to another level, such that the outcome of these initiatives may well be the cementing of the remaining intergenerational poverty in this country, which by their own study has moved from 13 per cent to 20 per cent. The pauperisation of the middle class, in particular those who are 55 and over, who fear that they may lose all that they have worked for, and do not have enough time to regain before they stop working in the life the Lord has given them to live. But worst of all, the consolidation of wealth in the hands of a few. That identity that allowed for equity

and a large middle class and a sense of fairness and that dream is at risk.

Have we suddenly, sir, forgotten where we have come from? Do we suddenly believe that it is only us who have arrived that need a helping hand and that those who have not yet made that journey out of poverty can be dispensed with and disposed of in order to get through a tight spot? Are we now so complete in the lack of belief in ourselves that a people - whether in the dark days of colonialism, in the fight against Crown Colony government, or in the fight against even the IMF in the 90s, or in the fight against Ship Rider, or in the fight against the OECD - the notion that a small but proud people can rise and fight any adversary, because in working together and being resilient and being creative, we have taken on great challenges and great enemies. But that this government can now throw their hands in the air and surrender and take the easiest path, but a path that will undermine this country and this economy the greatest, because they believe that they are powerless. How many times have we heard that it is the international economy? How many times have we heard that we are hapless victims? And I will come to that today, sir, because you will find out that the notion of an international economy and recession is a figment of the government's imagination and that their own documents, not mine - in fact, sir, it is an amazing thing. This document called the Barbados Economic and Social Report 2012, presented to the legislature by the Minister of Finance and Economic Affairs in July 2013, starts off at page five in international economic development and says global activity expanded by 3.2 per cent at the period under review. Sir, he didn't say contracted. It goes on, sir, to talk about the expansion of the US economy, not just in 2012, but also in 2011, that the US economic activity rose by 2.3 per cent in 2012 after 1.8 per cent in 2011, that Canada expanded. And while this speaks of a contraction of the UK by 0.2 per cent, the UK economy for the first six months of this year has grown by 0.6 per cent. Sir, this is not a global recession. And these are the people with whom we trade. And I will come to it even further in my speech again, sir. Because when we look at the Caribbean, the only country that will grow the least in 2013 in the entire Caribbean region, Mr. Speaker, is Barbados. Barbados. So that they can find no company - as much as we know that they like to feel that misery loves company - they can find no company in the recession with our major trading partners regionally and internationally. We don't go to Greece, we don't go to Spain, we hardly see any goods from Greece and Spain, so don't talk about what you see on the TV with Greece and Spain and hope that you can cause people to feel that there's a global recession. So that we hide behind this - this government - as if we are now powerless and innocent victims, and rob this country of its spirit to fight as others have fought before against greater challenges and have succeeded.

Sir, we have a set of choices that have been put before us that we can only properly appreciate and decide as a people if we understand first and foremost what is at stake. Barbados as we know it is at stake. Barbadian-ness as we know it is at stake. Our DNA. And I know sir that the people of Barbados understand fully - from the youngest little girl who just now one of them met me to give me these flowers that I've brought in here, such that I may continue to look at them through my speech - to recognise that what I am speaking for today is not for my future, not for the future of the people in the Barbados Labour Party, but for the future of a generation who will now be put in peril because of the choices of a government that have been made and worse still, made because of their own inaction, their own inertia and their own incompetence. I have chosen the letter I, but I could also choose the letter D - disingenuous behaviour, deferral. I won't say dishonest, sir. I won't say deception. But all of those start with the letter D like the Democratic Labour Party. Pick your choice. D. I prefer sir to stay with the letter B that talks about boldness and building.

So that what is before us, sir, is a choice. And a choice that will see the marginalisation of thousands of people within the public service who tonight do not know which way to turn and how to turn, because the minister has not even given them the comfort of telling them what he intends for them through his Permanent Secretaries and Chairmen of Boards and CEOs of statutory corporations, other than it will not be business as usual or income as usual. It will not be business as usual or salaries as usual. Or sir, businesses that haven't even gotten a mention in this budget - like the small businesses of Barbados and the vendors who will suffer from the contraction of the disposable income that will definitely result from the increase of taxation by over \$150 million, not to mention the fees by stealth that will come, and I will come to that later in my speech, that were hidden in one line at the end of his speech. In fact, not even in his speech - one line in a diagram - because it is the first time I've ever seen a Minister of Finance ad lib measures to a country and a parliament. Didn't read them. Ad-libbed them. So today I cannot even pick a document from anywhere and read this is what was said in relation to the tax measures, the expenditure cuts from the Minister of Finance, in circumstances, sir, where the Minister of Finance enjoys the unique ability that the words delivered from his mouth become the law of the land under the Provisional Collection of Taxes Act from the time he speaks. And every other Minister of Finance has done us the courtesy of not only speaking them, but having a text such that there is clarity of purpose and certainty of incidence in relation to the tax measures foisted on the people of Barbados.

But sir, so that this budget is a choice - those vendors and those small businesses, as they saw in 2008 when the contraction of disposable income first started, they're going

to suffer. They're going to suffer. And I will come back to it, sir. The pensioners today do not know whether the stabilisation - sorry, the consolidation tax is so much like the stabilisation tax of '91, when the Minister of Finance's boss at the time imposed that tax on the income of Barbadians - copycat, mimicking attacks that brought undue hardship to people in this country. But if I thought that was bad enough, I didn't realise what was coming for the poorest of the poor who were the people who earned \$18 000 and less, who now will lose \$650 from next year from the reverse tax credit, a sum that will come to be more than the people earning \$100 000 and \$150 000 with the stabilisation tax. But I will come to that too.

So that when I say that Barbadian and Barbadian-ness is at stake, sir, it isn't only the University of the West Indies - but that for me is the big one, yes. But the big ones also are about sending people back into poverty. The big ones are about causing people to risk losing their houses, their jobs, their livelihood. So when I walk Swan Street in Robina, you know what hurt me, sir? Is that there are people - and they can laugh on that side - I want them to go and laugh in front of the Calypsonian who had a boutique and who is now selling clothes in the middle of the road and running when the rain falls. I want them to laugh, sir, as the man who gave up his boutique and is now down on the alley selling for 12 months. And on the day on which we went, not a single thing was sold. I want them to laugh at the woman who buys and takes mercifully on consignment vegetables, who is in the middle of Swan Street opposite the bar who sells the cards. I ain't calling nobody's name - I could call all the names, but I'm not going to disrespect the Speaker because I haven't given notice. And that woman said that when she used to sell 200 pounds of pumpkin in four or five days, it is now taking her two and a half weeks, sometimes three weeks to sell food. Food! So laugh. But then again, the Prime Minister told me in 2009 when I brought Clico here, the measure of no confidence, that it should be punished with laughter. So laugh. But the people of Barbados will not laugh. The people of Barbados are crying.

And, Mr. Speaker, I hope I finish this speech without crying. I hope so. Because, sir, I feel that the country that I have come to love and that I live in has now been put on a block. And what has the Minister of Finance brought? A set of lucky dip measures that are unconnected, reading from a speech at one point that was clearly FedEx couriered to him. But what we didn't know is that it was couriered to the wrong person because it wasn't appropriate for the circumstances. He then highlights problems as the most fundamental problems facing this economy.

the loss of foreign exchange, a steep decline, \$300 million in three months. And then does what? I must confess, sir, I had to hold my head down and I turned to both the member for St. James Central and the member for

St. Peter I said, did I hear right? Did I really hear that just now? That was one of the few things that I really had to question. That a Minister of Finance could say that there was no confidence in the economy. Mr. Speaker, this building has entertained members of Parliament for over a century, and at no stage has anyone betrayed the country of Barbados and the well-being of the people by a single statement with such almost casual behaviour.

And if the minister would stop to pause, he kept trying to say that the decline in reserves was as a result of something that happened after the election. He said it about three times. I wasn't sure whether he was trying to distance himself from his comments about stability in the economy all up until February and March of this year because nobody would have believed that Barbados had an economic problem. Not at all. And I can give you the press clippings if I were allowed to do so, sir, or I could use them as notes. And here, the economy was stable.

But you know why I remember that so much, sir? Because in 1991, when I first ran in the election, the refrain then was not stable. It was that the economy was sound. S-O-U-N-D. And a member for St. Peter would remember that. And not only were we told that the economy was sound, but we were told that there would be no - I was at Huddersfield turning, driving to a spot meeting when I heard the then Prime Minister Sir Lloyd Sandford in January of 1991 with my own ears - that there will be no layoffs of 4 500 people in the public service and that there will be no cuts, only to find that within nine months not only were there layoffs of almost 5 000 people but there was an 8 per cent pay cut levelled across everybody.

So that the Minister of Finance when he used the word stable all in the run-up to the elections - but it wasn't only he, it was the Governor of the Central Bank. In fact, the Governor of the Central Bank from early was using the phrase the economy is stable from press conferences back in 2010, 2011, 2012, January 2013 - caused me to wonder whether he was a puppet or the Minister of Finance was the puppet. I don't know which one. But their language so mimicked each other that it was clear that it was a set script. And the soundness gave way to stability, the new DLP 21st version of soundness, and the 21st century version of the job cuts and the expenditure cuts, wage cuts, is now over \$200 million in cuts not to be decided by the leader of the Ministry of Finance or the cabinet, but to be foisted on the backs of permanent secretaries and CEOs so that they can come up with their hands clean.

The Prime Minister loved the phrase in the election about the fingerprints of the Democratic Labour Party. He used it so many times, speech after speech, I listen to you. I got it in the press clippings here too - the fingerprints of the Democratic Labour Party - only to find now, sir, that they are so obsessed with fingerprints that the minister spoke in

- I can't say legalese because he's not a lawyer - but in obfuscating the situation he spoke as vaguely as he could, making sure that in this budget, I criticize any minister, he moves to additional initiatives.

and nowhere between, sir. When he deals with the fiscal policy, is there any language to support, sir, these initiatives contained in Table 1 at Appendix 1? No language. Because the fingerprints are not to be found on it. And that is why the country was deceived by the Democratic Labour Party all up until not just the elections, but the estimates of this year in the Estimates debate. So when a minister comes therefore and says that he can only assume that the decline has come because of a decline, a lack of confidence, I ask him, sir, does he want us to remind him what their actions have been and their statements to contribute to that decline?

Does anybody remember in this chamber, Mr. Speaker, that in the middle of April the Governor of the Central Bank had a press conference and for the first time something crept out of the side of his mouth into a document as well that the medium-term fiscal strategy had to be brought back on track. Do we remember those words? And then there was the feeble attempt the next day when actually meeting the press to try and pull it back as if somebody spoke to him overnight and told him, you can't say so. You can't say so. But it was already out. And when the public started to jump all over it - but how can the medium-term fiscal strategy be off track? And less than two months ago, you were in an election telling the people that all was stable.

The minister with all of the bravado came the next week and held a press conference which was carried live on Voice of Barbados and utterly confounded the people of this country by saying, yes, we have some problems. We have to do it. We may have to deliver some bitter medicine, but in four months' time. So he comes, he tells you that something is wrong, but he tells you, I'm not going to act for four months. April, May, June, July, August. And mid-August, four months later, we understood what he meant by bitter medicine.

Now, if you tell a child, sir, that if you don't behave yourself or for what you did, I gonna wait till your father come home to beat you. The child all of a sudden lives in fear until the hour of the father's arrival that evening. If you tell anybody those words, they're anxious. And on the 15th of July this year, not reading from reports again, sir, the Managing Partner at KPMG, in a report in the press, said that they were nervous and they were waiting for the government to announce the measures they have been waiting for some months and recognised that anybody who would make investment decisions were unlikely to do so within that time.

I can't quote from it, sir, but I have notes. And the notes said, the managing partner at KPMG in the middle of July: we are getting mixed messages. We, sir, are getting some segments of government saying this thing is now the time for action and others saying, sir, that they are getting almost the opposite - being told perhaps to avoid panic. And she went on to say, sir, but clear messages need to be sent so there is no flight of capital. Sir, I didn't say so. Here is one of the leading accounting firms through its managing partner telling the government we need to stop the mixed messages because what is going to happen if we don't have a clear message is a flight of capital. The very same thing that the minister came in here and virtually admitted to yesterday.

And sir, it didn't stop there, because he said that the decline started effectively from mid-April. \$300 million at a rate, I calculate, at \$25 million a week. Three times the decline that you could otherwise have had in the first three months of the year if we used the figures given by the Governor of the Central Bank.

So what else happened? Because people might forget about April by the time you get to June and July. But June and July - July was taken care of by a reincarnation of that behaviour. So that on the 27th of June, in a national consultation, Mr. Speaker, the Governor of the Central Bank came and said that basically Barbados has a \$400 million problem. Sir, I was in the room. The member for St. Michael South East was in the room. \$400 million problem, sir.

In April, the medium-term fiscal strategy was off track. By the 27th of June, Barbados had a \$400 million problem that had to be corrected in eight months. I was in the room, sir, as was the member for St. Michael South East and the member for St. Joseph. And, sir, people were in shock - from the private sector, from the unions, even from the government. There were members of the cabinet who were in total shock on that day.

But on top of the Governor admitting to a \$400 million problem to be resolved with the starkness of an eight-month deadline, the Prime Minister then confirmed it in his wrap-up speech and referred to the Holy Grail - putting in the word devaluation and talking about it as something that we shall avoid - without realising that the mere mention of it had sent and would send more panic into the body politic and the economic institutions and business institutions of this country than anything else that could be said by a Prime Minister. He legitimised the concerns and fears.

And sir, we are therefore not surprised that there should be a \$300 million drop in reserves. We are disheartened, but not surprised, because the very government's behaviour has contributed more to that lack

of confidence than anything else. But you know what is the sad thing, sir, is that the Minister of Finance in his three hours really did nothing to tell us how he would stop the immediate decline of those reserves. And his references to growth and to the measures all relate - and I will go through them one by one in this budget today - all relate to initiatives that are either to take place a year hence, next year, nine months hence, next year, or the ones that are to take place next month require so many steps to execute them that they are unlikely to be achieved within the timeframe to stem the problem in relation to the reserves.

But there's a second problem, and that is the problem in relation to the financing of the deficit. Can government pay its bills month after month, and will these measures be implemented in time, such as to restore the confidence to allow them to pay the bills?

Sir, I have been in public life for 20 years and I've done a lot of reading. And the truth is, the bald truth is this: there is no economic solution to the loss of confidence. And if the Minister of Finance understood that, he would have thought twice before he delivered himself of those remarks in this chamber.

The member for St. Peter, I am sure when he speaks, will speak first-hand of his experiences in Jamaica in the 70s, watching on. You see what I tell you about people laughing, sir? Because when I finish with showing you the similarity between this government's behaviour and Jamaica of the 70s, they're not going to be laughing, Mr. Speaker. They're not going to be laughing. And sir, as a young economist, he watched on. He watched on. And he would have seen that when the loss of confidence came, there was a flight of capital, there was a failure to want to invest, but more importantly, sir, it could not be resolved or solved by any economic measure - that the only solution ultimately is a political solution. And you know what that political solution is, sir? A change of government. That is the truth.

You can go to Guyana and you can see equally the loss of confidence that took root in Guyana in the late 60s and early to mid-70s. Guyana and Jamaica were the two most advanced countries in the Caribbean in the 60s. Guyana was judged to have a development prospect that was better than Singapore. Jamaica was the number one developing country in the world. And what did Jamaica then face? Runaway expenditure, runaway deficits, prolonged economic recession in the middle 70s, a steep decline in reserves.

And sir, they had one thing that we didn't have, but we have made up for it. They had the socialist rhetoric of Michael Manley that affected investor confidence. We have made up for it by self-imposed policy inflexibility, but worse than that, a government that cannot be trusted to do

what it says it will do and not do what it says it will not do. Because there is nothing that destroys investor confidence like the lack of trust.

And when you read the path of Jamaica and you look at what is happening in Barbados now - revenues falling, such that even when the Minister of Finance increases the VAT in 2011, the increases in the VAT and the increase in the excise tax are insufficient to hold the revenues in 2012. Expenditure that continues to balloon, especially on the current account. In other words, government spending more money than it takes in every day - not to build capacity to earn for the future, but simply to get by day to day.

Mr. Speaker, sir - runaway expenditure, current expenditure, not capital expenditure. In fact, this government's capital programme is smaller than what Tom Adams left 30 years ago. That's how much they miniaturised it. Revenue falling - and look at the falling revenue, sir, from \$2.6 billion in 2008 to \$2.3 billion last year, with the temerity of coming to this chamber in March and telling us it would go back up to \$2.6 billion, and we told them that they could not achieve it. And what do they come with yesterday? But a recognition and an acceptance, sir, in this document that revenue will be no more than \$2.246 billion - \$2.264 billion, sorry, after the adjustment. This is the same government that came in here and told us that revenue this year is going to be \$2.6 billion.

Reality. Expenditure, reserves dropping at the level that the Minister of Finance said, Mr. Speaker, and no economic growth. Such that tourism not performing and not growing last year and this year - manufacturing down, agriculture down, construction down, all of the non-traded sectors. And we want to know why. I am appalled that they should laugh at the similarities. We should be concerned about the similarities, not laughing.

But at the end of the day, sir, what did the minister tell us about the arrest of the decline - the rapid decline in reserves? What is he doing? And before I get into all of them, I will simply just look at the timetables. What is not to be done in 2015, sir, in terms of measures, will depend on growth and projects which the minister, by his own admission, said will start January next year.

But Mr. Speaker, this is the same minister that told us six months ago that a \$600 million capital stimulus was going to start by the end of summer. It is now 2014. This is the same minister that told us about project after project starting. This is the same minister that told the Chamber of Commerce both in 2011 and in 2013 about dealing with all kinds of initiatives. This is the same minister that told the Chamber of Commerce two months ago that he was going to deal immediately with the arrears. You remember his words, sir, that he would deal with the arrears. This

minister, sir, now tells us these projects will start in January. Well, we will wait and see. We will wait and see. But we know his track record. The same minister who told us that CLICO would be resolved last year before December. But we will wait and see.

So that what you have is a series of initiatives designed for something else. And that something else is the IDB. But it is not designed to stop the immediate decline. Now the other point I want to make about that, sir, is that the minister spoke as if he was surprised about the decline. Do you know, sir, that the only member of Parliament in here that gets a daily report on the state of the international reserves is the Minister of Finance? Do you know that the only member of Parliament who can track the decline daily - not like us who will wait to hear after three months or six months from the Governor of the Central Bank - it is the Minister of Finance. Now if you know, sir, that you have seen reserves drop by \$100 million in a month or \$130 million in the last five weeks, will you not move to take corrective action as a matter of urgency without panicking people? Or would you come in here, sir, and admit the decline and exacerbate the panic? That is the point.

And sir, when the minister therefore says that he is going for a \$50 million IDB policy loan, which by his own admission in the budget has to be negotiated later this year - that's what he said when he was talking about tourism, that it has to be negotiated - we have seen the paper. In fact, it is the same policy loan that he denied. He denied it last September and October and August, but that was before an election. He denied it. And so much so that they denied it, he then turned around and accused the member for St. Peter, Clyde Mascoll, Tyrone Barker and Anthony Wood of meeting at the university to send home 10 000 public servants, recognising as he often does that the best form of defence is attack. I understand the matters before the court. But I know that those gentlemen will not have to wait for the judgment of the court to be vindicated, because the minister vindicated them yesterday by referring to the IDB policy loan that he disavowed. And that IDB policy loan, which remains today as of three o'clock this afternoon on the IDB website, speaks to a number of issues. But sir, that IDB policy loan is only going to bring in the first instance 15 million U.S.

The minister has already announced to this parliament in the first tranche and that is in the document by the IDB so the minister can feign ignorance as much as he likes. Because, sir, it is right here and I will come to it later in my speech. 50 million U.S. and the other two operations will tentatively total 150 million U.S. BA-L1026 is the project loan number and the project number. And I will come to that and the conditionalities later. But the point is this, sir, that he is hoping to get 50 million U.S. from that, but yet admits that the rate of decline is at almost \$25 million a week. And then when he goes to finance the

bond that he's hoping for from the international capital markets, that is going to be only another \$250 million US dollars. So that plus the \$50 million brings us back to where he was in April. But does not admit of the earning of foreign exchange or indeed of the confidence that is necessary because his words yesterday, sir, is that foreign exchange transactions are clearly not being deposited in the banking system. What will he do to make sure that foreign exchange will now be deposited in the banking sector? What will he do?

No sir, I would not know even in opposition how to have raised this as an issue. And while we knew about it, the parliamentary party took a decision that we would not address it in this debate. But the Minister of Finance has made it the primary issue coming early as it did in his speech. And I say to the people of Barbados, sir, with all humility and all sincerity, that the examples are replete across the world. There is no economic solution to the loss of confidence. And that the only thing that can now save us is a political solution and a renewal, sir, of the confidence of the people in the government of this country.

Sir, the financing of the deficit was the second major problem that the minister is confronted with in the management of this economy. He didn't spend as much time on the financing of the deficit as I thought he should have and might have, but in reality, sir, and for the members of cabinet who don't yet realise it, that might well come to be their first date with destiny. Because the government of Barbados is now paying 32 cents out of every dollar of revenue to service interest so that what remains is 68 cents plus whatever they can raise in financing requirements for the deficit. That's what remains.

And this government has foisted on us a situation that would otherwise be considered an abnormal situation in the fiscal affairs, in the management of government's affairs in this country. You know, the president of the Barbados Economics Society, sir - and you see all this laughter again - has done this country a service. And he wrote an article, sir, especially helpful for those who may not be economists, but who may understand why what is happening is so dangerous and so acutely out of character. And his article showed that since 1955, the government of Barbados has only ever run - at the time of his article it was 10, it is now 11 - current account deficits. In other words, the government of Barbados has only 10 times, now 11, been unable to pay its monthly bills from its current revenue. But it didn't have to borrow for it. 1962, 1974, 1977, 1989, 1991. You notice the jump in years? None year after year. And then the other five, sir. 2008, 2009, 2010, 2011, 2012. And now, sir, 2013, it reaches its highest level.

Sir, it is more than shameful. Can you believe, sir, that what was an abnormal occurrence in the history of this country has now become a recurring characteristic of the

management of government's finances by this government. And so what is even more is that you might get away with it a year or two, you might get away with it in the height of an emergency, but sir, you cannot maintain six years, more than half a decade, maligning the affairs of this country. And that is why I said at the beginning of my speech that the choices that have been put before the Barbadian people that may now cause them their way of life and their country have been put before us not because of any international recession, but because of a government that has stubbornly, incompetently and strong-headedly taken decisions to carry us to the edge year by year.

And I want, sir, to quote from the Right Excellent Errol Barrow in this chamber on June 29, 1976 in a debate dealing with the legislation of teacher salaries. And I quote specifically - Mr. Barrow said, I am now saying that the deficits are unmanageable and we cannot borrow money to buy bread. You should not go to a supermarket or a shop and trust food unless you are in an emergency. But you should not go year after year, month after month, week after week. I am making the analogy because if you have to be crediting food, there is something drastically wrong, either with your expenditure pattern or with the income which you are getting because somebody is underpaying you or you are spending money recklessly. Consumables such as salaries should not be the subject of borrowing over any extended period. Let me repeat it. Consumables such as salaries should not be the subject of borrowing over any extended period. In an emergency, yes.

Mr. Barrow then went on, sir, to say that the government in that year was going to be facing a current account deficit and that we cannot go on borrowing money in order to liquidate a current account deficit. You heard what he said, sir? We cannot go on borrowing money to liquidate a current account deficit. We borrow money for capital expenditure. And what did he say, sir? We do not tax people for capital expenditures. Errol Walton Barrow. We do not tax people for capital

projects, but we cannot borrow money indefinitely year after year to pay wages and salaries. Can I Telex, FedEx, email, imprint? What should I do to drill this into the heads of the Democratic Labour Party who have not disavowed. Disavowed and buried him totally. From free education to consistent borrowing for current account deficits. Everything. And the Prime Minister is a student of history. So he says, everything that the Democratic Labour Party stood for has been put at risk to be buried by this government. But sir, it is not just, and let me get real sir, it is not just about the repudiation of the Dems, because if that's what they want to do with Mr. Barrow, that is fine for them. I love Granny Adams, I love Tom Adams, and I like to love Errol Barrow more than them too. That's the truth. I love Owen too. I know sir. I thank God, I thank God, as I said, for the opportunity to have been nurtured

and sensitized by men who were giants in their field in this country. The same O. N. Arthur, the same Richie Hines. Sir, you know what is sad? I ain't getting distracted because I ain't gonna deal with this. Because people believe that a disagreement on an issue causes you to disrespect the ability of others. And that is the problem of the Democratic Labour Party. And I say to you, sir, I say to you, sir, that the problem is not simply the repudiation of Mr. Barrow. Because if that was all it was, it would be an academic debate in a political forum and we would move on. But what it is, is the reality of a government not understanding the wisdom of what Mr. Barrow said, and pursuing a reckless path that now puts at risk the living of thousands of Barbadians and the savings of thousands of Barbadians.

And sir, why is a date with destiny before us for the deficit? It's very simple, sir. If you are collecting \$2.3 billion in revenue and you are paying out 31 cents in every dollar to interest, that you have to pay because if you don't pay it, you will default on your loans and people will call in the loans from you. It means, sir, that you have to find money to pay to support the rest of your expenditure which this government, sir, has set at the astronomical figure of \$3.89 billion. So you're earning at one level and you're paying out at a much higher level. Sir, the deficit including amortisation was indicated, sir, to be \$1.23 billion. You want to hear me? \$1.23 billion, including the repayment of debt. But, sir, the frightening thing is that was when the government expected to get \$2.59 billion in revenue. These approved estimates turned up this afternoon and were distributed to members of Parliament this afternoon. And these approved estimates at page eight speak of a deficit of \$1.23 billion on the premise that the government will take in \$2.59 billion, \$10 million short of \$2.6 billion. Yesterday afternoon, the Minister of Finance produced a revised target of \$2.264 billion, virtually \$300 million short of what he asked this House to approve four months ago in here in March. That is the nature of the problem facing us. It is a calamity in truth.

And sir, that is only one part of the equation. Because not only did we warn the government that the expenditure, the revenue was overestimated and they have now confessed to that, but we warned them that the expenditure is underestimated. So what might be a \$1.23 billion deficit without any further adjustment to expenditure becomes a \$1.5 billion deficit. And before I even go to expenditure, sir, let me deal with the financing of the deficit that this government has put on the table. You take my time. The government is suggesting, sir, that it is going to get \$374 million in foreign financing. Well, we know the Minister of Finance has moved from that already and has added another \$150 million in foreign financing so that instead of going to the market for \$175 million US, he's now going for \$250 million US dollars. He expects to get the paltry sum outside of this policy-based loan that he

hopes to negotiate later this year of \$23 million in financing from the Inter-American Development Bank, the Caribbean Development Bank, the European Union, the people of China. None of the money for the projects that he thought the Chinese can bring - that he hasn't told us what is the state of negotiations and whether in truth and in fact the majority of the money that the Chinese committed on the visit of the President of China has not already been committed to other Caribbean countries and therefore they will be fighting for the crumbs remaining. That 80 per cent has already been sent of projects that has been sent to the Exim Bank of China and that the government therefore will have to ask for extraordinary consideration for that Caribbean window of finance announced by the President of China.

Sir, last year, the same government said they were going to get \$47 million in project financing. You know how much they ended up getting, sir, in 2012? Because it's important now to test this government by their behaviour and by their record. They're not new. They have a track record. They have a track record of five or six years that informs us of what they're likely to do when they say they're going to do something. The Minister of Finance told us that he was going to get \$47.4 million in 2012 in project financing. Sir, he did not even get \$10 million. He got \$9.8 million for a whole economy from international institutions. The same minister that wants us to believe that projects are going to take off like wildfire. The same minister that tells us earlier this year about \$600 million in stimulus, and let me tell you why, sir. In these documents that he has laid before this honourable chamber, he says in them, his officers say in them, that it is important to make use of concessionary financing, in other words, low-cost financing from the IDB, from the CDB, from the World Bank, from the Europeans, because it will be cheaper than us borrowing money on the capital markets, especially now that we have lost investment grade last year, where the cost of borrowing is going to be significantly higher in circumstances where we are already carrying the second highest rate of interest being served in the Caribbean after Jamaica as part of our revenue.

But sir, you know why he only got \$9 million from the IFIs last year? Take a journey with me on the projects that the government has with the same IDB that he is hoping to negotiate a policy-based loan with later this year to help tourism marketing - and that is another smoke and mirrors too. There is a project sir called the Public Sector Smart Energy Programme. We start with the most recent. That is only 15 months old. But the government has still to receive from the IDB the full \$17 million US of a \$24 million loan that the IDB has committed to. So what is the blockage that is stopping the IDB from giving you cent one in that loan or the European Union that is supposed to give you \$7.64 million US, which is to constitute our counterpart funding. Is it that the European Union needs a

sign-off also from the International Monetary Fund and the IDB as to the government's macroeconomic stability? Nothing done there, sir.

Let us look, sir, at the other 2012 loan that was supposed to be the loan that I just referred to that is still not negotiated and signed. The policy-based loan fiscal consolidation. And the Minister has a duty to tell the country whether this loan that is on the IDB's website up to this evening is the loan that he is referring to and relying on in his budget speech. Because we are not certain - peeping in on the government of Trinidad's business or Jamaica's. This is the people of Barbados' business. Sir, it's on the website. Sir, there is a Skills for the Future loan - \$20 million US from the IDB again, government of Barbados is to provide \$506 000 US dollars. Sir, not a cent of that loan has been disbursed and that loan was signed and approved sir on June 21, 2012.

But let's get to some of the interesting ones sir. There is a loan sir called the Housing and Neighbourhood Programme negotiated by the Labour Party, signed by this government in 2008, approved by the IDB on the day after elections in 2008, the 16th of January, some five and a half months ago, sir. And of the \$40 million US that the IDB has provided for housing and neighbourhood upgrade - Greenfield, Catz Castle, Allen View - five and a half years. Some money was hustled out before last election as a form of vote catching. But the majority of that loan remains undischarged. \$26.3 million US. Some 66⅓% of that loan almost six years after has not been disbursed when it is for poor people in this country.

Sir, the water and sanitation loan - the Prime Minister of Barbados in 2009, the late Prime Minister, justified in the budgetary exercise the increase in water rates by 60 per cent. It was to be announced after on the basis that there had to be a revitalisation of the water mains of this country and that, sir, he gave the country the assurance that this government would proceed expeditiously and that they had foreign financing for it because they were concluding a loan with the IDB later that year in 2009. Mr. Speaker, sir, that loan was approved on December 2, 2009 for \$53 million US dollars. As of July this year, sir, \$48.2 million US dollars remains undischarged. In other words, 91 per cent of that loan some four years later, almost three and a half years later, remains undischarged because of the lack of progress on that project.

Sir, the Agriculture Health and Food Control Programme - a critical programme to getting the foreign exchange for the agricultural sector up and going again because it provides for labs and legislation to be able to export to Europe. Grenada's fish markets can export to Europe and St. Vincent. Barbados' own cannot. And this government that is now so concerned about the word growth - Minister tell you now all of a sudden about

growth, when the only G word he should know is go, G-O. That loan, sir, December 2nd again 2009, approved same time as the water loan for the princely sum of \$28 million US dollars. Would you believe, Mr. Speaker, that the sum of \$19.3 million US or virtually 70 per cent of that loan remains undischarged in the last four years?

Sir, the Coastal Programme - we see elements of it now on the West Coast, putting in stress some of the people who are now on the back foot in terms of ability to attract visitors and we saw them on the Rubbing Shoulders programme too, and the impact that it is having on beach vendors as well as restaurants down there, as well as hotels, water sports operators. Sir, that loan is for \$42 million US. I suppose, comparatively speaking, that is better because all that remains there is \$27 million US - two-thirds of the loan remains undischarged three years after. And a government last year could only pick up nine out of \$48 million dollars in financing the deficit. I say this short of cash, sir.

The Smart Fund, sir. The Smart Fund is supposed to help people, sir, get access to a package of financial instruments and technical assistance in energy, renewable energy, to reduce the level of fossil fuel dependency at a time when imports have gone to \$800 million. The flagship mantra of this government that still remains for the most part unexecuted. Would you believe, sir, of the \$10 million US approved in December 2010 that the princely sum of \$7.9 million US remains undischarged at a time when people are reeling against the pressures of high electricity prices in this country. In other words, sir, 80 per cent of that loan has not been disbursed.

Sir, competitiveness - the buzzword out of the Governor's mouth, the buzzword out of the Minister's mouth - the Barbados Competitiveness Programme, December 15, 2009 approved, the sum of \$11 800 000. Sir, more than \$8.4 million US remains undischarged of the IDB's portion, which is only \$10 million. In other words, sir, only 16 per cent of the IDB money has been disbursed for a competitiveness project in Barbados for three years.

Sir, we heard the minister yesterday and we wish well for Barbados and we will wait and see and hope that the projects that he says will come through. But we have no confidence in this government. It's not that we don't have confidence in - the Barbados Labour Party has confidence in the Barbadian economy to perform, but we have no confidence in this government. So, sir, I derailed you to show that when we talk about financing of \$23.8 million this year from concessional sources, foreign concessional sources, we too will hold our breath and wait.

The government, however, expects, sir, to raise \$864 million when it was a \$1.2 billion deficit. Now that it is a \$1.5 billion on revenue alone, and I'm going to give them

the benefit of the doubt when it comes to expenditure, because what they cut off one way, they're going to have to put back because they haven't listed all of the liabilities in expenditure. And I can take you through them and explain why. Sir, what has happened? This government came here earlier this year to raise the Treasury bill note limit. You know why, sir? Because at the end of the day, they recognise and have faced the reality that the banks are not taking up - institutional investors are not taking up medium-term instruments such as bonds and notes. And sir, the Government of Barbados has had therefore to excessively rely on the issuance of short-term instruments - 30-day notes, 90-day notes, 180-day notes - in order to finance its deficit.

Now what does that mean sir? That is like you asking Mr. Speaker somebody who is your neighbour to lend you \$5 000 and the person tells you for a year and the person says no, I'm not prepared to lend you the \$5 000 for the year because I have no confidence that you will be able to pay me back in a year. I am prepared however to lend you an amount of money for one week, and every week I have to go back to you and beg you to lend me that money again. Because if something happens to you such that you lose your job or your money dry up, I am not caught out not being able to be repaid my \$5 000. And that is why you see the change in the lending patterns to short-term money. That in and of itself is an expression of no confidence in this government's management of the economy.

And last year, sir, the government thought that it would only have to rely on Treasury bills to the tune of \$84 million and ended up having to issue over \$267 million in Treasury bills, an increase of over 200 per cent in short-term instruments. So when I say to you, sir, our debt with destiny is about financing the deficit - in simple terms it is about cash flow, sir. Will the government have the cash to pay salaries? Will the government have the cash to pay its debt? Will the government have the cash to buy goods and services? Will the government be able to do the things that it must do day to day? And if somebody does not lend them, then it will default and if it defaults, then all hell breaks loose. And that is why managing the financing of the deficit is so critical.

Sir, we do not expect to live in a country, as Errol Barrow said, where we continue to borrow for day-to-day expenditure year after year, month after month, day after day. And this matter has to be corrected as a matter of urgency. What are the measures, sir, that the minister has brought to correct them? Let me start dealing with the measures. And I will start from the ones he announced last and deal with them first.

Sir, the minister said, and I have to rely on my memory now because there is nothing for me to read. The Minister said that there is to be a \$30 million reduction out

of \$121.78 million in the area of temporary posts. And of that, only \$11.7 million comes in this financial year. So that cannot help much with easing the pressure off of the deficit. But what it will do is reign terror in the hearts of those temporary employees because they do not know tonight whether they are going to be laid off, whether they are going to be put on short week, how they are going to be treated, whether somebody who they do not get on with as a head of department is going to choose them unnecessarily.

And sir, you know, I like to hear this thing when members of the other side try to feign ignorance or laugh or trips. Because, sir, this government has presided over something beginning to happen in departments, and I want to put people on notice about it. There are numbers of people in the Ministry of Public Works who have been receiving letters as recent as last week reminding them of infractions related to getting to work late. There are at least 23 that I know about. Reminding them of things that bear no relationship in their view to their current behaviour but they feel that they are being set up for disciplinary action - in some instances one has in 17 years.

And what is the reality, sir? That when a minister leaves this issue vague and uncertain and he tells us that this will be done in line by the line ministries, consulting with the Ministry of Civil Service and the Ministry of Finance - that is a red herring, sir. No, it is a red herring first to try and divert attention from him so that there are clean fingerprints of this government. But it is to impose terror in the hearts of the public servants of this country. Sorry, the temporary officers of this country.

There are 2 000 vacant public posts and there are over 6 000 - almost 6 500 - temporary officers. The minister can correct it in his wind-up or any minister on that side. And therefore the issue is: are they going to be subjected to a process that is not fair, that is not based on a practice that has been accepted to be fair by industrial practitioners in this country, that have last in first out, in spite of the peculiar problems that it might present to a few ministers on that side? Or is there now an attempt to be able to sift through a number of the public servants so as to preserve the jobs of some who have come in as recent as January and February of this year? That question has to be addressed. And I serve notice today that the Barbados Labour Party will not sit idly by if people are put out of jobs on a principle other than last in, first out.

We, Mr. Speaker, I can understand why the member for St. James South would want to refer to it as scare tactics. Because after yesterday, the Minister of Finance announced that he was no longer a relevant member of cabinet by creating an investment commissioner who would bypass him in reporting directly to cabinet. I too would want to highlight the circumstances of people whose

work has now been marginalised by the Minister of Finance. I can understand that. Sir, I can. Sir, but the minister could start with him, lay him off first, or recommend to the Prime Minister that he be laid off first. No, sir.

There is another fundamental point that has to be made here. And this is not a laughing matter. If the minister and his advisors determine that they are going to send people primarily on three-day week or four-day week - let us start first. A three-day week is a 40 per cent cut in salary. We go, we go off is effectively what a half week is. And do not mind that Parliament has been working week on week off. He should not want to do that to the public servants and temporary workers of this country.

Sir, not only is it a substantive wage cut, but there is a more worrisome consequence. Pensions in the Barbados Public Service System accrue to temporary officers who have been acting in a post after a period of time - so long as there is, first of all, acting after three years gives you a legitimate right to appointment under the Public Service Act. Sir, not only sir - but secondly, sir, people's pension rights accrue on the basis of unbroken service. People's pension rights accrue on the basis of unbroken service. And when therefore decisions may be made to put people on three-day week, four-day week, it has implications for their pension rights. And it also, sir, has implications for their national insurance benefits because it depends on what three days of the week they work.

So that this matter of executing a programme by September 2013 - sir, do you know today is the 14th of August? Do you know that September 2013 is in 17 days? And all of a sudden, the unions clearly do not know anything about the details of it because the president of the new

PW, Mr. Maloney, says that they now have to see what is intended so that in less than three weeks, this government wants the people of this country and the Inter-American Development Bank for whom these measures are being done, and the IMF, seal of approval, to believe that they are going to be able to cut \$30 million over 18 months, \$12 million of which will come virtually in this financial year. Now, sir, I have started just to point to two or three of the problems. The methodology for selection, the pension rights, the access to national insurance benefits. And you know, sir, when people hear these measures, if you have not served time in government, you would believe that it is government by pronouncement. In fact, that is the problem with this government. They believe that they pronounce and it happens out of midair. When in truth and in fact, pronouncement is simply the first step to making something happen. That is why this government has initiatives that have taken three and four years to get to this parliament and in some instances, initiatives that

cannot be executed. And let me give you the most relevant example, sir. The Minister of Finance last year and here announced the Green and Levy a year ago. The Green and Levy could not be executed because once again the Green and Levy was based on income to be collected by the National Insurance Scheme on a graduating basis without recognising that the National Insurance Scheme can only collect on the basis of earnings and that it had to be a flat tax. And that is why this has now morphed into a solid waste, a municipal solid waste tax of a flat rate of 0.7 per cent. This didn't happen to be here by accident because if his announcement last year that commentators like today praised and said at least it will help to ease some of the problems with renewable garbage collection - but they didn't know that when the minister announced it, you cannot execute it. They didn't know that when the former Prime Minister announced the tax on lotteries, similar to the one that is here today again. Do the people of Barbados know that was never executed in the four or five years since it was announced? They did not know, sir, that the mobile phone tax announced by the former Prime Minister in July 2008 has never been executed, because this government has perfected the art of developing policy measures without advice from public servants - measures that are impossible of execution and that take for granted the steps that are necessary to move something from concept to reality. Like the 10-point tourism plan, sir, that I will come to.

Sir, so when I tell you that it looks pretty to say that Barbados' dire fiscal situation - that oh deficit, which is going to be more in the vicinity of \$1.5 billion including amortisation - enough money that we are going to be able to ease some of the pressure because the government is taking an advertent to difficult decisions. You mean the government is engaging in rhetoric, because this plan cannot get off the ground in September without putting at risk an already tenuous industrial situation. And why is the industrial situation tenuous? Because we have lived in this country for 22 years with the stability of a social partnership which has now been put at risk by the behaviour of a Minister of Labour on three occasions. First, to the private sector in January, when she led them to believe that she would not raise a matter that she subsequently raised the next day and lost the confidence of the private sector in their letters. And a member for St. Peter dealt with it at length in the election campaign at Ellerton one night. I too believe like Kim it cost her a seat and thank God we now have the young bright member for St. George South as a member of this Parliament.

Sir, there was then a complaint in April, and then there were occasioned letters from the General Secretary of the Barbados Workers' Union, a founder member of the Social Partnership. And on the 18th of April, sir, he wrote the permanent secretary of the Ministry of Labour. He wrote the director of the ILO and he wrote, sir, the Prime

Minister of Barbados. And I only just want - I don't have time to quote the whole letter - but there is one sentence that stayed with me. That the position of the Barbados Workers' Union was and remains that 70 principled years must not be dismissed at the scratch of a pen, regardless of who is wielding that pen. As if that were not enough, sir, another letter came last week, not just pulling out, sir, of the Congress of Trade Unions as the 18th of April did, but the next letter now two weeks ago pulls out of the social partnership as long as the Minister of Labour remains the Minister of Labour.

Now if you were leading this country, sir, and you know that your Finance is about to announce \$200 million of measures one way that will affect the employment of people through layoffs or short time. And then another \$160 million from December onwards when the cabinet gets the report on the merger or elimination of statutory boards. Would you not consider your primary duty as leader a stable industrial climate such that you can execute what you want to execute with minimal dislocation. And the truth is, sir, all of the members on the front bench, half of them whisper and say she needs firing. That is true by George Payne.

Mr. SPEAKER: Members, please, refrain from calling members' names, please.

You know what, sir? It does not affect the industrial climate of Barbados. Sir, the Minister of Labour has achieved what no previous Minister of Labour in 22 years has achieved - the dislocation of the social partnership. And I'm not getting into the rights or wrongs of anybody's case. I am dealing with the fundamental fact that here you have both partners of the social partnership complaining for lack of confidence in her. And what does the Prime Minister do? Unbelievably so, it must be the fastest response time I've ever seen from the Prime Minister expressing confidence in her. And the truth is, sir, that I can understand that he may want to defend a minister, but the defence of a minister cannot be at the expense of a country's stability.

So that, sir, when the Social Partnership now has to address not just the cut of \$30 million in temporary employees but \$20 million in acting allowances and substitutes, the Prime Minister will have to work overtime because the matters will have to come to him to bring resolution to them because of the absence of confidence in the Minister of Labour. And I want to go further, sir, because we do not know the methodology, because we do not know who and what is to be done, because we do not know why, because we have no rationale. Sir, these cuts here in expenditure remind me of a butcher slinging a cudgel with all the crassness of allowing the cudgel to come down wherever it shall, insensitive to the collateral damage, rather than using a scalpel to immediately pull out

programmes that may not be as relevant to Barbados' economy and society or that people may be able to be moved in. He said he wanted project units. Are the people going to be moved into project units such that you don't have a net addition of staff? Are the skills the same?

Sir, and that is without getting - that's just central government. But it goes further. You cannot impose \$140 million in cuts on transfers and subsidies and these are not all. These are simply five institutions: Transport Board, National Conservation Commission, UWI, QEHB, BAMC, Six-Serv and Sanitation Services Authority. I took out UWI really because that is a special case that I will deal with after, because that is not a government department of the Barbados government as much as the minister would like to feel so. Sir, there is a comment on the \$140 million. \$38 million is to be cut between now and the end of March. I suppose the Ministry of Finance can withdraw and withhold the warrant. That is the truth. So that's easy. But what is not so easy is the consequences of the warrant at the Transport Board, the consequences of the withholding of the warrant at the hospital, the consequences of the withholding of the warrant at the Sanitation Services Authority.

And sir, do Barbadians who already have to wait long hours at the hospital have now to dread that over the next 19 months the \$35 million that is to be cut from the hospital will now lead to longer waiting hours? I had a constituent who told me two weeks ago that they prefer to suffer at home and risk their lives than to go in the A&E and wait for 36 hours. And I, sir, helped them to go to Sandy Crest. And you know, sir, these are not stories that are unique to me. All of us face these stories in our constituency. But were you now to implement - and you know what is sad, sir? The minister, the former Minister of Health from St. James South, can't hear his voice on this one. I want to hear it. He got in here and told this House over and over that the hospital really needs \$200 million to operate. The hospital got \$145 million this year and it is now to have a further cut of \$35 million. Now if that is not the case, sir, and the Minister of Finance is shaking his head - \$35 million over 18 months - we don't even have documents in here that can provide certainty. Mr. Speaker, if I am a member of Parliament and cannot tell anybody how much is to be cut from the hospital tomorrow after a budgetary exercise, we could only be playing the fool, sir. If I can't provide certainty, how will the people out there have certainty? I have stayed up all night reading these documents and I still can't find anywhere in here how much is going to be cut from the hospital this year.

\$38 million from these six institutions. Well, I can only assume that we can be cut this year because the fees - the day of reckoning for the young people of this country is next year, September. So \$38 million between five. But then again, the Sanitation Service Authority owe over \$37

million to the private sector operator at Vatu Cruz. I heard about how you're going to deal with the arrears at the BTA. But the government has not told us that when it is choosing to cut \$140 million from these six institutions, that these institutions are owed over \$350 million. So you are cutting \$140 million from institutions that when they were getting more money built up arrears of \$350 million.

I know today, sir, of a service provider fixing equipment for the hospital who has been carrying the cost of those fixes. I don't want to say what equipment it is. I don't want him to be victimised. He is owed \$280-something thousand dollars. He told the people he is under pressure. He said, I need some money to pay bills and to pay what I have to pay. You know how much money they sent for him the week before last, sir? Take a guess. \$800. \$800 sent to a businessman who, if he did not carry the cost of the fixing of critical equipment for the hospital - now you know, sir, what is sad. When I talk about the Barbadian dream, this is what I'm talking about. You know that because things are so bad with government's cash flow, that the government may well have now to go to a bigger service provider whose financial circumstances can carry the government. So what is put at risk, Mr. Speaker, is the opportunities for smaller businessmen and service providers in this country, and what we will end up with is the marginalisation of them and indeed, sir, we will end up with a consolidation of wealth of those who have money in the pocket. And there are only a few in this country - as a friend of mine would say, could probably count them on two hands. There are only a few who got money in Barbados today. Because the difference between now and '91 is that our businesses and households have had four years of battering. If this was the first year that they were facing problems, I can understand. But this is now four years of battering. Some have closed down, some have moved back in with family, some are thinking of emigrating. I am scared, sir, about the number of people who are telling me - young people who are considering their options about leaving Barbados. Those are the signs that we associated with Jamaica and Guyana in the '70s. And I don't say so in a disparaging way, because it wasn't good for them, it is not good for us.

And so therefore, when I say to you that there is no clarity in what is to happen at the hospital, how is the person who has urgent equipment to fix the plant at the hospital to plan? How are doctors to be able to plan to make sure that they can save as many lives and ease as much pain as possible? Sanitation, same thing, sir. How much is sanitation going to get of that \$38 million this year? Where we know that the entity that is owed money by sanitation is almost owed \$38 million or more as well - alone, not to be shared by five entities.

But sir, you know what is the most dastardly part of that budgetary initiative? And if we had words and prose to

read from, we would better understand what is happening. And let me read what is here, sir. Reductions to be made in line with expenditure cuts over 2012 allocations and measures to raise revenues within the respective agencies. Barbadians went to sleep last night thinking that the burden of taxation on their backs was only \$150.9 million. Do you know, Mr. Speaker, that the Minister of Finance - through, I can only say in my opinion, or the opinion of an innocent bystander, it would look like by stealth, but that would be unparliamentary, I wouldn't say so in here - that there is now to be a burden of fees or increased fees to meet the revenue adjustment that has to be met by this initiative. Will this mean increased bus fares or reduced services at the Transport Board? Will this mean layoffs or a short week - that the Minister of Transport was so fast to bunk and deny - while not telling the people that there was a meeting chaired by the Minister of Finance at which he attended and at which they were told they are getting no more than \$37 million this year. Or that the initiative which was expressed at that meeting for workers to get a three-day week and management to give in a week off - reflecting a disparity between management and workers yet again that this government has perfected - so that management would give up 25 per cent of income and workers would give up 40 per cent of income. That is what this government stands for. Sir, what about that woman who has to catch the bus to get to work for seven o'clock?

Is she now if there is no increased bus fares to be made the subject of a more irregular bus service because of the cuts that have to be put on the transport board? Because this government does not have the creativity or the capacity to manage our fiscal affairs without literally swinging a cudgel and affecting everything that is before it. Finding the easiest route out. We just cut there, cut there, cut there.

He said he wants some numbers. Let me give him these numbers. Without understanding that the cuts have long-term consequences for the health of individual Barbadians, for the jobs of individual Barbadians, for the savings of individual Barbadians, for the prosperity or survival of Barbadian companies and service providers, without understanding that cutting university education has a major negative impact on the society to remain stable politically and socially and to be able to grow in the future. So that these cuts serve - you know what really happened? I'm satisfied that the Minister of Finance was not ready to deliver this budget. He really wasn't. Not only are the words not in here clear, but it is clear that obviously deep disagreements prevented him from being clear. And these things have not been thought through.

Public servants are telling you that even in their meeting with the Prime Minister and the Minister of Finance, they were aghast that they could be asked to bear adjustment having not had a wage increase since 2010, facing price increases since 2008 of 36 per cent and being

in a position where they are 32 per cent poorer as every Barbadian is since this government has been in office. That's what they told us. And that's what I'm sure they're telling members on that side.

So that the vagueness of these proposals does not give me the confidence that they can be implemented either in three weeks' time at the beginning of September or indeed by the ministers on my birthday on the 1st of October. Regrettably. Gone a good day though. So that is not the only problem. Yes, remember for St. Peter's October as well. Good people, okay?

So that is now to be followed, sir, that \$140 million in cuts in this budgetary initiative by a 12 per cent cut in transfers. No sir, even I had to ask the minister after Parliament finished last night what this meant. Because I didn't know what transfers we were talking about. Because there's no language here to make it specific. You talk about transfers in the box before and then you talk about a 12 per cent cut in transfers. No law and budgetary and fiscal initiatives are to be reduced to a box diagram.

Now what does 12 per cent cut mean? We have in brackets this will be on a base of \$475.8 million. Is this \$475.8 million for who? For what? At least I could add because 12 per cent of \$475.8 million will give me roughly about \$59, \$60 million. \$23 million of cuts is to come between now and March and to start next month. Well, every statutory board employee should start running for cover because those who are not captured here are captured by the Minister's announcement at the end for the reorganisation of 18 statutory boards or entities currently in operation, ranging from public housing, sports, facilities management, investment, youth and cultural affairs and sport.

Now, I would have to use my knowledge of government to start to understand what these may be. Is this the National Housing Corporation who deployed 200 extra people this year when they were already technically insolvent? Is this the National Housing Corporation that has received \$45 million over the last 18 months without ever seeing the light of this Parliament for approval, either by way of a subvention or a loan? Is this the National Housing Corporation that is in the 12 per cent cut or is the National Housing Corporation and the 18 entities to be merged or eliminated? I do not know.

Is this sports? Is this the National Sports Council? Is this the gymnasium? Is this Kensington Oval Management Inc.? I suppose facilities management could be calling too. Investment - is this the BIDC? Is this Invest Barbados? Is this Barbados Tourism Investment Inc.? So that people who you are now relying upon to give you the strongest possible expression of commitment and work to get us out of this hole, go to work every morning and leave work

every day - stay at work every day - wondering will we be in the Christmas list that goes to cabinet? Will we have a job in 2014? Can we raise our heads?

Sir, we understand that you might have to take difficult decisions, but you can't hide and take them. You have to stand up and be a man and take them. When Tom Adams had difficult decisions to make in 1981, and a member of St. Peter can attest to this because he helped him - this country was told up front by Tom Adams before. And I want to remind younger members within my earshot, Mr. Speaker, Tom Adams didn't wait until after an election to say he had to go to the IMF to deal with different economic decisions. Tom Adams faced the problems and fixed them and not only faced them and fixed them but went through an election and won the election. Maintained the trust of Barbadians. He didn't do like '91 and deny action on the eve of an election. He didn't do like 2013 and deny action on the eve of an election.

Sir, I am telling you, sir, the facts speak for themselves. And I'm saying to you, sir, that what lies here as budgetary adjustments to expenditure is too vague and will inspire only a reign of terror in the public service, sir.

I go further, sir. Will the NCF be merged or eliminated? Will youth affairs? And this brings me now to the most fundamental point that I want to address with this government on this expenditure cuts. There's a thing called constituency council, sir. That is the most partisan expression of behaviour. It is an extension of DLP canvassing. It is an extension of Democratic Labour Party canvassing. Sir, it paid for movie nights. It picked out to pay for funerals as recent as this year. It pays for scenic rides. It sponsored four-day morning bands and Calixtonians. It pays for the indulgences of the minister or MP and it pays for the indulgences of who might be in charge at that particular council.

Sir, it is one thing to ask Barbadians to make a sacrifice. It is another thing to ask them to make a sacrifice while seeking to maintain advantage with partisan political spending. This party will under no circumstances support any merger, elimination, sending home, short week of anybody, any sacrifice to be undertaken by anybody in Barbados, while the Democratic Labour Party constituency councils form part of its expenditure from the taxpayers' money.

And sir, the notion that I know what it is to put on a football tournament, but the notion that you will take up taxpayers' money to sponsor a football tournament when people cannot even get a week's salary will be repugnant to all right thinking Barbadians and the Barbados Labour Party is prepared to stand up and defend Barbadians in this matter of absolute fairness. Sir, I am saying to you that the notion that you could even think of merging constituency

councils into another department to maintain partisan spend of any type is unacceptable and will be fought by us on every front if this government tries to do it. I serve notice on that today because you cannot ask people to make adjustments and the people who live in here, the people who work in here, particularly in the government side, not prepared to make adjustments.

In the early 70s, Errol Barrow, the right excellent Errol Barrow, told his ministers they had to start flying economy. So that when we get to these points, sir, this government has to recognize there was a wonderful cartoon yesterday on Facebook with the Minister of Finance telling the Prime Minister, well, you might have to start with us making some adjustments to our salary. Whoever put the words in the Prime Minister's mouth said two words: you are fired. I trust that the Prime Minister will distance himself from anybody's notion that is how he will react to adjustments. I don't know.

So, sir, I come to the issue of reverse tax credit, sir. I have already made the point in my speech, sir, that we are asking people who are at the bottom of the ladder in terms of wages in this country. People who might earn \$200 a week, \$250 a week, \$300 a week, who receive the reverse tax credit not because people just wanted to give them a gift, but when we introduced value-added tax and when we also ensured that excise tax increased on goods that they may not find up front, there's a level of taxation that they incur by reason of their expenditure. They don't pay income taxes to be able to offset allowances. So that we felt that a reverse tax credit allows people to get a cheque back in their hand to be able to help them meet the needs of living year to year. The former Prime Minister clearly agreed with it because he increased the reverse tax credit to \$1 300.

2008 or nine, when the Minister of Finance can say that these people are now to have their reverse tax credit cut not only by 50 per cent but by \$650 - when, sir, a person earning \$50 000, let us start at \$50 000, a person earning \$50 000 will only have a stabilization tax of \$250. And don't get me wrong, I don't feel they should have any tax because this economy does not have a revenue problem. But what you have is a misplaced sense of priorities or an incompetence as to the consequence of your actions. Pick your choice. So that you now have the poorest of the poor losing \$650 a year while people earning, sir, \$70 000 and \$75 000 - sir, \$70 000 - will pay less taxes than this person and in terms of incidence and percentage because each I have always learned should bear their weight. You are then telling somebody earning \$200 000 just pay three and a half percent of what you earn gross.

But you're telling the woman at the bottom working in a gas station who probably has looked forward to just seeing this thousand dollar cheque once a year, thirteen

hundred dollar cheque, never hold it in hand before - other than that September when she gets it - you are telling her that she must give up 50 per cent. It cannot then be each according to the weight that they can carry. This inequity and lack of social justice.

But I also want to speak to the stabilization tax because the stabilization tax, sir, is also riddled with other issues. It is to come in, sir, from September. People have asked, is gross income defined in the income tax act? People have asked, is it including pensions? People have asked all kinds of questions and based on what the minister has said, even though the provisional collection of taxes now make this law for the next 90 days, the reality is that up to this morning, I am told people don't know how it will be collected and by whom it will be collected. That there are fundamental issues of execution surrounding it. But I go further.

This is also placing a burden on the middle classes of Barbadians who have lost their allowances, who have had equally to face increased taxes, and who have had to face increased light bills and increased gas and diesel bills because of the taxation and otherwise wrong-headed policies of this government. And when these people, sir, are now to have their disposable income further taken from them. Another tax. Someone wrote me last night a note that this budget was murder by taxation and stagnation of a generation. Murder by taxation and stagnation of a generation. And that is the bridge that I will use to University shortly.

Sir, this tax places a burden on people who generate jobs. If this person had somebody now, if a household had somebody gardening for them three days a week, they're likely to tell the man come one day or don't come at all. If this person was accustomed going and getting a certain level of goods to be able to support the church, they're going to have to tell the church we can't afford to give you at the church any more goods to help feed the people because we are barely able to make ends meet. And what this government does not realise is that when they refused to take action in 2009, 2010, 2011, 2012 and now to 2013, such that we have a deficit that is hanging us, expenditure that is killing us, that what you are doing is taking out the guts - not for no global recession. I have shown you that the global recession is a global growth. And it is only the Minister of Finance that can read the word R-E-C-E-S-S-I-O-N when we let us show G-R-O-W-T-H.

But then again, it is only the Minister of Finance who can perpetrate - either at best the worst example of arithmetic or at worst the biggest lie of this debate, of this year, perhaps of this decade - in this chamber. And you know, sir, our system of parliamentary governance does not allow people to mislead Parliament. Our system requires

that we treat to this chamber with absolute truth and honesty.

Sir, in speaking about the University of the West Indies, I can start at that and come back. The Minister of Finance delivered himself of these words - we had words for this, don't mind we had plans for budgetary initiatives. He said this and repeated it. The stark reality is that since around 2006 or so, the total contribution by the Government of Barbados to UWI has exceeded the combined contribution to all of our nursery schools, primary schools, secondary schools, community college and the Samuel Jackman Prescod Polytechnic. That the stark reality is that since around 2006 or so, the total contribution by the Government of Barbados to UWI has exceeded the combined contribution to all of our nursery schools, primary schools, secondary schools, Barbados Community College and the Samuel Jackman Prescod Polytechnic.

Now sir, some of these younger members in the party may not even have known better because they have never had to go through estimates on a continuous basis like the member for St. Peter or member for St. Andrew or St. George North or St. Thomas. And they might, like the public of Barbados, been prone to believe that a Minister of Finance would not come in here and mislead the country - trying to make a case for his being able to justify the savaging of young people by removing tuition fees from them.

And you know, sir, I went back and checked the figures. You know how much those combined entities come up to. Basic education development and teacher training, \$164.8 million. Secondary schools, \$127.4 million. Tertiary schools, SJPP \$12.8 million, BCC \$20.5 million, Hospitality Institute \$4 million. Sir, I meant nursery school, sir. I thank the Minister for correcting me because this can stand the test now because the public of Barbados can get this. In fact if you want, go on barbadosparliament.com - to the right of the screen you will see 2013-2014 estimates. And when you pull it up, go to the Ministry of Education to begin to see what the Minister purported to do in this House of Assembly last night with misleading the public of Barbados that university education was now costing beyond the capacity of nursery, primary, secondary, Community College and the Polytechnic.

The Minister of Education - I am prepared to sit down in this chamber and let the Minister of Education get up and correct me on a point of order. If it is untrue that primary education gets \$160.5 million dollars this year and the combined liability - not what the government pays - the combined liability for the UWI between tuition fees and economic costs equates to what primary is. But I haven't added the \$127 million from secondary. I haven't added the

\$12.8 million for the polytechnic. I haven't added the \$20.5 million for the community college. A hospitality institute with another \$4 million.

But sir, I can understand why he may have been tempted to mislead this Parliament and this public - if I were the grandchild, figuratively speaking, of Errol Walton Barrow, I had to deliver what he delivered last night. I would expect everybody who sees me on the street to tell me there is nothing worse than the gratitude of a grandchild or a child. There's nothing worse.

And you know, sir, I said I hope I don't cry in this debate. You know why, sir? I have people in my constituency. They have people in theirs. Everyone knows what it is. They are young and older women. Children - how many people in this House of Assembly now could not have gone to university if their parents did not have the ability to send them without worrying about paying a cent? How many children in this country?

And I, sir, start from the perspective that this is not the first time the Democratic Labour Party has tried to dangle the baby out of the window. In 1994, I sat on that side as Minister of Education, and my first interaction with an international institution, the World Bank, came as a result of a \$15 million loan signed by the then Senator Harcourt Lewis on behalf of the Government of Barbados for which the conditions precedent was the charging of tuition fees at the University of the West Indies, the Samuel Jackman Prescod Polytechnic and the Barbados Community College and Erdiston and Teachers College.

Sir, we went to the World Bank. The cabinet instructed me to speak to the World Bank and indicate that the ministry was not prepared to accept \$15 million US - and we weren't awash with money because we were still coming out of the 1991 recession. And the government led by the member for St. Peter took a decision that even though it would give us access to \$30 million Barbados dollars, we could not put on the table, for a number of reasons, fees for students attending the University of the West Indies.

Do you know how many children have graduated since September 1994 to 2003 - this year - that did not have to pay fees, and that if we did not intervene in 1994, the Prime Minister was the shadow for education in those days - that is a fact - do you know how many tens of thousands of Barbadians? We reckon that it is at least 30 000 Barbadians have graduated without having to pay tuition fees since the Democratic Labour Party committed to charge them in 1994. I can only hope and pray, sir, that sense will prevail.

And let me tell you why. This document, Mr. Speaker, for the uninitiated, people who don't know how

government works - you know, the problem is that the government is preying on people's innocence. This document is virtually 450 pages. This is the estimates of expenditure, sir. And this government, rather than applying elbow grease, rather than applying a little creativity, rather than working out what is fundamental to this country's stability - politically and socially and economically - chose to pick a low-hanging fruit that at best can save them, they say, \$42 million. The figures from UWI range from \$30 million to \$40 million, depending on how many people are enrolled in a particular year, because it is not a subvention. It is payment for the number of persons attending the university.

And the truth is, sir, nobody denies that the government has cash flow problems, but the way to deal with it is not to cut and pull the rug from under the future of Barbadians, but to sit down and find other measures that are not as critical to this economy's growth, stability and future. Barbados' DNA - what else do we have if we do not have education and health? People call it social capital. What distinguishes us from the rest?

And you know, sir, it is the most amazing thing because this government - the Barbados Development Strategy laid yesterday, right here, got it. This government, only yesterday evening, Mr. Speaker, lays in this Parliament the Barbados Growth and Development Strategy 2013-2020. When I tell you that this government is playing lucky dips with its measures, that the measures have no relationship to the strategy to achieve anything, here is what the government says at chapter one. Don't go far. I don't know how many members of cabinet read it. I would hope they did.

The labour market - at the bottom of page - witness an increase in the educational attainment of workers and the growth of the number of professional females in employment. However, there is still a high percentage of the employed labour force in low-skilled jobs. In fact, approximately 60 per cent - and youth unemployment remains a challenge.

Now how can a government in the same breath - the same minister that leads the preparation of this document, the same government that lays a document telling Barbados that as we move forward to a growth and development strategy for 2013 to 2020, that we have a problem with too high a number of low-skilled jobs in the employment of the labour force, and that youth unemployment remains a challenge - now you have therefore to design strategies that can ensure that those people who are at the bottom, even in youth unemployment, can go wherever they can in this world if they are properly educated and secure a living.

Barbados has traditionally exported skills - not from now, in fact from the date of emancipation. This Parliament

in 1850 had a debate regretting the exodus of Barbados skills to Guyana to work in the sugar industry.

We became the largest number of persons working in the Panama Canal, in the building of the canal. Barbadians were the teachers and the preachers and the policemen and the nurses in the Caribbean for the better part of the last century. Barbadians worked in the transport system in London. Barbadians have traditionally gone overseas to find work. And that is why the Barbados Labour Party government took a policy decision back in the 90s that not only were we prepared to remove fees from the backs of students, but that we were prepared to educate as many people as humanly possible by us, even beyond the means of the labour market, because we understood that an educated Barbadian was a global citizen. An educated Barbadian was a global citizen. And in being a global citizen, Barbadians never forget where they come from.

Sir Richard Cheltenham told me this evening along with others that there's a wonderful reunion going on this week in St. Patrick's where there is a community reunion. This is not a family reunion. This is a community reunion. Barbadians do not forget where they come from and therefore whether it is those who have reached the heights of 3M or whether it is those who continue to ply their trade as tailors in London or whether it is those who teach across universities in North America or work in international institutions, whether and wherever they are found so long as we have educated them, we have given them the opportunity to reach for the stars.

This is a country that even the colonial administrators back in 1900 and before understood the importance of education. Barbados had, in 166 square miles, 200 primary schools delivering education up to seventh standard, what is the equivalent of junior secondary today. And Barbadians therefore had the luxury of that as well as six secondary schools and a quadrangle college that was affiliated to the University of Durham at a time when some of the countries in the region didn't even have 30 primary schools. That is our legacy.

And when people tell you from across the length and breadth from St. Lucy to St. Philip, from Bathsheba back down to the Orleans in town, from the people in Bush Hall who stand proud today because one of their own is in charge of the Banking Association in this country, they tell you, we helped raise him. He got where he got because he got a chance to education. These stories are numerous. In fact, these stories are so numerous that nobody looking on and watching this script would ever believe that out of a choice of \$3.8 billion in expenditure, out of a choice of 464 pages of programmes, that this government's scalpel could only find its way on tuition fees, knowing full well that the structure of university financing is this: that 80 per cent of

the per capita cost is styled as economic costs and 20 per cent as tuition fees.

Mr. Speaker, I was on university council for seven years and I was present, sir, when we had to deal with the difficulties of university financing in the late 1990s. It was then that the decision was taken to split per capita costs between economic costs and tuition fees. The government of Barbados is not going to save the \$130 million for which they're liable in economic costs. So it doesn't really help them with the deficit. The government of Barbados last year had to pay \$36 million - or is liable for \$36 million - in tuition fees. The year before, \$38 million; the year before, \$36 million; the year before, \$33 million. So there's so much in the thirties that when the minister said \$42 million last night, it threw me off. But the truth is, I realised it was not being fair to him because my mind was being drawn to 30 pieces of silver. The ultimate betrayal. The ultimate betrayal.

And Mr. Speaker, sir, no, I'm not talking about the minister. Because a cabinet agreed to this. A cabinet agreed to this. I'm not blaming the minister alone this time. A prime minister and a cabinet - and the prime minister, sir, I remember. On November 14, 2011, a Monday, sir. There was a picture on the front page of the paper with the Prime Minister and the Minister of Finance. Mr. Speaker, I think I remember you were in the picture too. In fact, you were the only one in a jacket looking dapper. Torin Carleton Supermarket. But immediately below that, Mr. Speaker, was a headline and the headline was particularly poignant because the headline said two words simply. In fact, that should have been the cartoon they should have used with the Minister of Finance yesterday if they did a story of him charging university fees. Two words. PM's word. PM's word. W-O-R-D. And the byline was, Tertiary education will remain free. Tertiary education will remain free.

The Prime Minister said, sir, that tertiary education in Barbados will remain free across the board, dismissing suggestions that only the less well off should receive subsidies. The Prime Minister dismissed it. No, sir, it is one of two things. And I want to be fair to the Prime Minister. Is it that this is the only option he was given to correct the problem, in which case he needs to understand that his options have - he has been misled on his options. Or is it that a prime minister that prides himself on certain values and statements has now found it possible when there is a little difficulty to turn away from them. I have always been taught, Mr. Speaker, that principles only matter when it is inconvenient to stand by them, when it is difficult to stand by them.

And I was told when I first said to a few people that I was going to raise this - to say, but some people in the support group feel that people should pay - I said I appreciate that people who have long left either the

community from which they came or never were from that community and never had to mix with people who cannot do better may have that perspective on life. On one level, reason would tell you that if you're earning money, you should pay. But if you understand the reality of how people live, a woman that is having difficulty paying rent, has not paid it for two or three months because she is now on a three-day week - like the one that the minister may well put thousands of them on shortly - has to think twice and three times about how she spends her money.

She was hoping to get \$1 300 in a reverse tax credit to help buy school shoes because they tell her that she cannot get it from the welfare department because their vote has been cut by two and a half million since 2011. She was hoping to be able to deal with the fact that her mother needs an MRI. But the equipment at the hospital ain't working so she can't get it there. She was hoping to be able to say, well, the government promised that they would put \$400 000 there so that if the children's father don't pay for them, I could go and get

the money. But when I went to the court, they told me they ain't got no more money to pay me. Money gone. And at the same time, her eldest child that has six CXC's has gone to community college and wants to go to do medicine. And the Minister of Finance's words come out last night. And she sees it is not only that they have to pay fees, but they have to find \$16 000 for each of three years for my child to do medicine. And then the next two years the child has to pay \$65 000. Those are the fees. And that's the statement in the budget. But I want to make this point. There are some who may argue that it is okay to require even contribution post-graduation. And the country can have that discussion. But I want to say on behalf of the Barbados Labour Party that we have confidence in how we will manage this economy, such that we believe that an inescapable part of our success comes from maximising the human resources of this country and providing free access to education. We believe that an educated person is more likely to maintain and sustain a job at a higher level, to pay higher levels of taxes and to invest in this country, to maintain levels of stability and to give them a chance to move out of intergenerational poverty, where therefore they are able to reduce their level of reliance on the welfare state and the welfare department. And in the same way a government can decide to spend \$500 million on a sugar factory, it must be able to invest \$500 million for the next 10 years for tuition fees for Barbadian students at UWI. That is more than five. 42 million times 10 is 420 in the next 10 years.

And I'm saying to you, sir, that this region, the Caribbean region, has the lowest tertiary education enrolment. We have a tertiary education deficit. And if I started talking about Rex Nettleford at the beginning, because when Rex Nettleford gave me the chance to

address the university graduates at Mona for the Millennium, I never thought that 13 years later, instead of seeing an expansion of students across the university system, that we would be at risk now of seeing a reduction from Barbados. And, Mr. Speaker, sir, it is significant that while Trinidad agreed to increase, to introduce fees for its students at that meeting, Jamaica did and Trinidad did - Barbados said no. In the late 1990s, do you know that within two years Trinidad reversed itself and put its students back free? Of course. Do you know that, sir? And it was because of the experience that too many children from working class backgrounds in Trinidad no longer could be seen applying to the university at St. Augustine. St. Augustine today now is the biggest campus in the Caribbean with 21 000 students. And worse than that, sir, for us, the Trinidad government has said that they are prepared to fight for the educational bounty by the creation of the University of Trinidad and Tobago and other institutions across Trinidad. Bahamas, same thing.

But if this was an isolated incident, Mr. Speaker, this is the same government that threw through the window seven years of planning and millions of dollars for the establishment of the University College of Barbados in 2008. Are you surprised why we have no growth? It is the most backward policy by a cabinet of Barbados since adult suffrage. And sir, I give the people and the young people in particular and the parents - because we assume that it is only young people who want to see themselves excel, but it is their parents who want to know that they can go to the next world with their children having had better chances than them - I give the people of Barbados this solemn assurance that the Barbados Labour Party will not charge tuition fees for Barbadian students attending the UWI. And further, that we will so manage our economic and fiscal affairs that it will not be a problem as we did for 14 years when we reversed the last decision of the Democratic Labour Party to charge fees in this country. So this is not the first time. This is the second.

But I also want to say this, sir. Education has done more for us as a country than bauxite has done for Jamaica. Education has done more for us as a country than oil and gas has done for Trinidad. Education has done more for us as a country than gold and diamonds has done for Guyana. And I make bold to say so to the people of this country tonight because one of the reasons why we across parties have celebrated the fact that Barbados in the United Nations Human Development Index is regarded as one of the - sometimes the leading and if not near the leading - developing countries in the world is because of the continuous investment in our people. I want to beg this government with every bone, with every breath in me, sir, I want to place on record that if there is one policy that I hope members on that side will have conscience to pull out and vote against tomorrow night - reconsider it. There is too much at stake. Now, this is not about BLP-DLP. This is

about Barbadianess. This is about the essence of economic growth for our country.

Do you understand that we cannot grow our international business sector to the next level if we do not have the requisite number of skills coming through the university system? Do you understand that we will not be able to exploit the value added in research from a sugar industry, from a rum industry, from all kinds of manufacturing through R&D, through Western Seaboard cotton moving to the next level, if we are not bringing these people through? And don't get me wrong, sir, I understand that there may be issues about improving efficiency at UWI, but access is not quality. Quality is not access. Improvement of issues relates to how the university might do something, but that does not mean you pull the rug in terms of access from people. And I want to say, sir, that I fully anticipate that if this government is not prepared to reverse itself on this measure, that it is going to lead to a brain drain in Barbados ultimately, because people will not have the confidence in this country.

And I want to talk about the sociology of smallness. In a small society, an outbreak of trouble in one district quickly spreads to another. Why do you think the colonial administrators made sure that the former slaves had access to education early? An outbreak of public health problems - tuberculosis or whatever - will spread through a small society quickly. One of the things that we have had to do as a small country, 166 square miles, is ensure that there is a minimum level of stability in terms of law and order, in terms of political stability, in terms of public health, and then when we add to that the economic bounty that comes from the economic opportunities from a qualified workforce, there is an addition. Separately, there is also the benefit that the university presents to us by providing more foreign exchange to this economy than any five-star hotel, because it has almost 2 000 students studying in Barbados for about eight to nine months a year - not the same students even necessarily, but that is the rotation - because the ones from the Eastern Caribbean have to pay rent to live somewhere. And a tourist is not only a person coming from North America; a person from St. Vincent has to pay rent living somewhere in Barbados. And therefore the notion of a university town, the notion of spurring economic activity - and one of the things that the Labour Party government did, sir, was that we guaranteed that we would meet the economic cost, and this is the point I'm making. We felt that amenities fees were things that perhaps students could pay towards.

Would you believe that when the amenities fee was introduced, the Democratic Labour Party made more noise than anybody else in Barbados? And that was a \$500 fee. And now they want to charge the minimum fee. The minimum fee they want to charge now is \$5 800. Ten times what the amenities fee is. Ten times. And I say to you, Mr.

Speaker, there must be a better way. Barbadians want to own their own land. Barbadians want to educate their children. Barbadians feel a sense of fairness. This budget puts at risk all of those issues.

But let me come now to some of the growth measures, sir, because the growth measures, Mr. Speaker, relate to a set of circumstances that are part of the desire for growth. Sir, the government has listed a number of initiatives and in almost every instance, Mr. Speaker, it says that they will start next year. Let me go through them, sir.

Honourable member, you have about 17 minutes left.

Hon. Miss M. A. MOTTLEY: How many minutes, sir?

Mr. SPEAKER: 17.

Hon. Miss M. A. MOTTLEY: 17? Yes. Thank you. Sir, don't mind, this budget has so to be explained to the Barbados public that if I don't finish here tonight, I will finish on Sunday evening in a public forum to be announced. So, fear not. We are not going to be rushed.

Sir, I will concede that of all of the initiatives announced here, the one that is most likely to be implemented in the shortest term with the least amount of problems to get started is the road package, because that depends on whether there are existing plans in the NTW and finance can be secured. It may lead, sir - it is what, three entities? I don't know whether that will be a consolidation or not - but it may lead, sir, to some level of economic activity. And roads, even though, sir, we believe that it is unlikely to get any substantive expenditure in the first six months of the rest of this financial year. That's a fact. Because you cannot spend at that level of rate. So the \$125 million was to dangle and to create an impression in people's heads, just as the question of the university costing more than primary education was to create an impression in people's heads.

The National Housing Corporation and [Inaudible.], sir - the less I say about that, the better. That matter is before the Public Accounts Committee, along with other matters. I believe that there is a subsisting contract before the Ministry, the National Housing Corporation, of \$28 million for the same building, and therefore I'm surprised that this is being relied upon and moving ahead from October when the tender is for \$5 million more than what was originally received by the Ministry and the National Housing Corporation. The least I say about that, the better.

The Maria Holder Trust, sir - we know that they've built two schools already. We look forward to the

construction. The Minister, however, would have announced sometime ago this pipeline of schools, and we feel that it is necessary. We committed to early childhood education for every child, but the reality is that the pace of execution has not been as quick as the minister would have had us believe initially in 2009 when he first announced. But we hope to see it through.

The secondary school - I am strongly in support of this, sir, because we need to reduce our school numbers from 1 000 per school and 1 200 to a manageable number at 800. And I support this as the Liberal Party does as part of the public sector investment programme. I would only ask the Minister whether town planning has been completed and plans have been finished and when the construction date will start, because the Minister of Finance has said the last quarter of 2014.

Then we have received the good news - and I did warn the Prime Minister a half hour ago - that we expect that his role as mediator with the labour unions will have to be relied upon more and more. And lo and behold, the Minister of Finance referred to it yesterday by saying that the Prime Minister has consented to use the goodwill of his office to intervene to have discussions with the Barbados Workers' Union, obviously because the Barbados Workers' Union will not have discussions with the Minister of Labour in respect of these matters. This, I assume, refers to both the private sector ionic pipeline project, but also the IDB project, which I referred to earlier, that was promised by the previous prime minister and for which the loan was signed since December 2009. And we are at last heartened to hear that four years later, that money will now be spent and that it will lead to some level of economic activity. But the question is, is this truly likely to get off the ground before year end? I'll come into that too.

Carlisle - the Cruickshank project. I am happy to hear that the Minister of Finance has signed off on the financing plan, but the process with all of these capital works projects has first to go through a number of legal documents - implementation plan, ground lease, facilities lease, et cetera. And it is not as easy. And if he says it will start in January 2014, we will wait and see. But to the best of my knowledge, no documentation of a legal basis has been provided yet, and therefore there is usually a six to nine month lag period in the raising of finance, which is really what the problem Four Seasons face, as the minister will tell you. Because long-term financing takes at least six to nine months to raise properly based on the legal documents and the negotiation and the conditionalities and the assessment of risk. And worse still, if you have to find market surveys to determine what is the level of revenue likely to come into the project, particularly in a speculative area.

Similarly, sir, with the Pierhead project, we will wait and see. We have been hearing about this project. I think the first legislation was passed in 1997. So this has been a project that has been much talked about and long awaited. I almost said that it has certain characteristics of other projects that will carry us into the Bible in terms of the second coming. We are waiting for it. And I understand now that the minister in this document says that he is looking to lock in appropriate low-cost financing, which means that if you have not locked in financing, you are not ready to start in a hurry.

Sir, I want to see these projects happen. But the fact is that even if they happen, they're going to take a while before the level of spend is going to make a difference. And the issue in Barbados - and I want to come to tourism - is that we have sectors that are not firing. Manufacturing is in decline, sir. Agriculture - since when? No, no, no, sir. We have sectors in Barbados, sir. Let me give the figures of manufacturing for the former Minister of Manufacturing, who clearly has forgotten what he presided over. Sir, manufacturing in real GDP at the end of 2012, when the member for St. Lucy was the Minister - St. Lucy had a 26 per cent decline from what we left it at December 2007.

Manufacturing, sir, in Barbados - the index of bank credit to the sector declined, sir, from \$123 million to \$111 million. And that's the point they're making. That manufacturing in a post-WTO environment went through a period of restructuring, but manufacturing picked back up. Go back and look at the figures, manufacturing picked back up in the early 2000s after the government put a domestic transition programme in place and a programme to protect local buying.

The export, sir - construction. Construction in this country, and in the same way, sir, that I quoted Earl Bower earlier, Tom Adams in 1976. Sir, I know that they don't want to hear the bad news about the economic sectors. Construction, Mr. Speaker, is down 28 per cent from what it was in 2007 - almost by a third. Construction, Mr. Speaker, is employing fewer people and the credit to the sector has dropped by over \$112 million. We don't need these figures, sir, because every community in Barbados knows that labourers, carpenters and masons are not working. And they will not be able to rush and get any work before Christmas because all of the projects I just announced from the Minister of Finance all relate to 2014. So labourers, carpenters and masons will have another dim Christmas because of the absence of work in the construction sector in this country.

But tourism, sir - tourism, tourism. Sir, the Minister of Tourism has been reappointed to preside over the decline of tourism in Barbados. The country has seen the worst decline in the last few years. Indeed, sir, it is fair to say that the Prime Minister has punished him by promoting

him again to be Minister of Tourism. Sir, what have we seen? What have we seen? Tourism declined, Mr. Speaker. Last year, Barbados was outdone by one country in the Caribbean Tourism Organisation in terms of the decline and worse performance. And that country was a country where two-thirds of the population was evacuated, namely Montserrat. Barbados, that used to be at the top of the table, was now second last out of 23 countries in CTO.

It gets worse, Mr. Speaker. Would you believe that Barbados, in the first seven months of this year, tourism to the end of July is down 6.7 per cent when the minister said the planes were coming in full? What he didn't tell us was that the planes had gotten smaller, that they had replaced 757s with 737s.

I am also saying to you, sir, that you can't compare that 6.7 per cent decline on last year, because last year was a decline on the year before. And instead of us talking about a 10.7 per cent decline from the American market, the truth is that 15 731 fewer Americans came here for the first seven months of this year than came in 2011. 13 000 fewer British people came here this year than came in 2011. Canadians - 3 300 fewer - the Canada market a 7.8 per cent decline. The minister is trying to take comfort in the fact that the Canadian market declined by 7.8 per cent - not an increase - and then carry on, sir. A decrease, sir, of 17.6 per cent out of Trinidad and Tobago in spite of cricket. And I can give you post-first August shortly - a further carry-on decline of 10 per cent.

Sir, would you believe that for the first nine days of August - Crop Over and Emancipation and everything was going on - that tourism declined by 8.6 per cent? Worse than for the first seven months of the year. And sir, I said last year that he had done more damage than a tsunami. But the truth is, I have no language now to describe him. No language.

And sir, I now understand why - because, sir, my notes show me, and the public of Barbados needs to understand this. If I finish, I am going to continue on Sunday. In 2011 - and this comes to the minister's initiative that he came in here boasting about yesterday - in 2011, tourism marketing: the Barbados Tourism Authority, sir - the Minister of Finance wants to keep so much noise that he can't contain himself at laughing at the blows of the Minister of Tourism again - \$87.7 million was spent in marketing by the Barbados Tourism Authority in 2011. Do you know how much money they spent marketing Barbados in the year when we got the second worst result in the whole of the Caribbean Basin? \$59.3 million. This government presided over a drop of \$28.3 million in the marketing of the Barbados Tourism Authority - a drop of 32 per cent.

But you know what is even worse, sir? That up until yesterday, in spite of increasing the subvention from the BTA from \$94 million to \$101 million, the BTA's budget for this year stood at the same \$59 million as last year. So having gotten the worst performance that you have gotten comparatively speaking to other destinations, you come back this year and repeat yourself. The definition of madness is doing the same thing in the same way and expecting a different result.

Mr. Speaker, sir, what is it here? The minister already spoke about the level of arrears where Barbados has been last in stock of the industry, owing in excess of \$30 million. And when the minister gave the \$101 million in these estimates, the first \$10 million went to pay off debt, but it still left them with debt of over \$27 million. That is why, when the minister yesterday announces that he is going to put \$50 million US in marketing tourism for the next 18 months, let us do the analysis. Of that \$100 million Barbados, \$30 million goes straight away to pay debt. And you are left with \$70 million - not in six months, not in 12 months, but \$35 million - \$37 million - in 18 to 19 months. So the reality is that the hoteliers who were jumping up yesterday at the thought of increased marketing will now find out that all they will get is \$12 million US. \$12 million US, when added to the \$59 million that the BTA has budgeted for this year, still brings it below the \$87 million that was spent in 2011. Shame, Mr. Speaker. And the Minister of Finance is feigning ignorance. But the Minister of Finance should get the BTA papers. Mr. Speaker, don't let me - let them - don't let me. I can wait till the Minister of Tourism speaks because I have the same papers that his eyes would have seen.

Mr. SPEAKER: That is the end of your airtime. That is the end of your airtime.

Hon. Miss M. A. MOTTLEY: I was just finished. No, sir. Even on or off TV, you have to say how about - I know, sir, but I can finish now because I can continue next week. I want, sir, to understand why, in these straitened financial circumstances, would the Barbados Tourism Authority be spending, sir, \$2 or \$3 million on relocation and restructuring at a time when they are cutting the marketing budget - earlier this year and last year - for the UK by 40 per cent over 2011, the marketing budget for the USA by 43 per cent, the marketing budget for Canada by 42 per cent, and you are going to find money to spend on restructuring and relocating - \$4.4 million.

And then, Mr. Speaker, I like Rihanna like anybody else. I can be the first one to be there. But when a country is going through problems - I haven't had a show already - can we justify? I went to Beyoncé too. Everybody knows I like music more than anything else. But I finished with politics - I going back and manage bands.

Mr. Speaker, \$2.54 million is owed now to Rihanna - toward Rihanna. And the debt is only two or three months old, if it hasn't now been paid, which means that it cannot relate to a concert three years ago and would have to relate to the upcoming concert. No, sir, I want all the Barbadians who could afford to go and see her. But can the Barbados Tourism Authority, at a time when it owes all kinds of people - owes Virgin Holidays, owes British American \$1.2 million that the minister now promised to pay, owes American Airlines a million dollars, owes God \$3 million, owes Virgin Holidays \$1.7 million, owes WestJet -

vacations, British Airways, \$1.2 million, sir. You know what is sad, sir? You know what it is, sir? That this is the last thing standing between us and a failed economy. Tourism. The last thing. And as much fun can be made over there, it does not change the facts that Barbados has no persistent decline. And let me put it in context, because this is a nationalist - do you know, sir, that our tourism sector between 2002 and now went to a height of about 570 000 from 531 and has dropped back down to 536 000 last year? Aruba, a smaller island with less resources - I know it well because my mother was born in Aruba - had only an oil refinery for all the years. In the same period of time between 2002 and 2012, Aruba moved from 641 000 tourists to 904 000 tourists. And I believe, sir, that we have within us, if we get the structure of tourism right, if we get the returns on tourism right, to be able to attract investment again such that we can set a national target of a million tourists by 2020. But what do we have instead? A stagnation of an industry that is now earning \$550 million less last year than it earned in 2010.

2007 - under the last year of the Barbados Labour Party - at a time when prices have increased by 36 per cent. If those earnings were to hold constant, the Minister of Tourism should have been presiding over earnings of \$3.1 billion last year instead of \$1.7 billion. That is the paltry and unacceptable performance to which we speak. I come here as speaker to bring a ten-point plan, and I trust the member for St. Michael South East will speak to it later tonight too, that is premised on, one, a marketing initiative that accepts for the first time that you need a point of sale discount and not the Barbados Island Inclusive that gives people discounts when they come to the island. A vendor in Oistins last night called me and told me, first of all, the budget does not extend to them at all. But secondly, when he has to take vouchers from tourists, you know how long he has to wait for the Barbados Tourism Authority to pay him the \$50 for the dinner? At least four weeks. So once again, you are straining out all of our business. These micro-enterprises are small people.

But the advanced passenger duty discount was announced by the Minister to be a point of sale discount. They did not want to call it the Best of Barbados because the Barbados Labour Party put that in place. That was our

point of sale discount. But everybody begged them to reconsider and put in place measures to help get us out of these doldrums. But what do they do, sir? They put a point of sale discount for one market. Five markets are in decline for Barbados. And the lowest decline comes from the United Kingdom, 2.1 per cent last year, this year. Every other market is a larger decline. Decline of 10.7 per cent for the U.S. on last year. And I told you what is worse from the year before. Canada 7.8 per cent, Trinidad 17.6 per cent, other Caribbean 10 per cent. Do you know, sir, that the only market that is going to get the advanced passenger discount subsidy is obviously the UK? So what are the point of sale discounts to help people come to build back up traffic from the U.S. market, from the Canadian market, from the Trinidadian market, from the other Caribbean market? All of them are down.

And then you create the notion that you are doing somebody a favour by giving them a 5 per cent energy rebate. When in truth and in fact that energy rebate offers them less - it is difficult to access if they do not have the cash flow in order to be able to pay for renewable energy to make them eligible. Since you do not have the cash flow to put in the renewable energy, you cannot get the rebate. But when you do get the rebate, what do you get? A hotel with an electricity bill of \$48 000, paying the sum of \$32 000 out of that \$48 000 in fuel adjustment - that hotel gets \$2 400 under this government's 5 per cent rebate in its ten-point plan. Under the Barbados Labour Party's energy policy, which I announced standing here last year, where we would seek to instruct Barbados National Oil Company not to overcharge the light and power for oil - 24 per cent of which comes out of the Barbados ground, the heavy fuel oil to Light and Power - that if you simply charge Light and Power what it costs you to produce it and cap your return on investment at five percent, that heavy fuel oil would cost Light and Power no more than \$100 Barbados dollars rather than the \$215 that it was paid this year alone for every barrel of fuel oil. The savings approximate to 12 cents a kilowatt hour. More importantly, the savings to that hotel that will only save \$2 400 under the government's policy will save almost \$10 000 straight off under the Barbados Labour Party's electricity and energy policy. And then because our energy policy reaches across the entire economy to all households and businesses, they will get the reductions from the other inputs - from food, transport, and other things necessary to run a hotel. That is what we are facing here, sir.

But, sir, I am going to continue these efforts and there are other members, and I thank the public for ensuring that the Barbados Labour Party's voice has been strengthened in this debate, such that we now have 14 persons who can speak to their issues. I have every confidence, sir, believe you me, that when the public of Barbados starts to understand and appreciate the nature of what went down in this House last night, that their

judgment is going to be harsh. And the people of Barbados will have to decide what direction they want to take. The people of Barbados will have to decide. No, you see, sir, the problem with this government is that they feel that because they have been elected once every five years, they have the right to speak and do as they like. But the people of Barbados can express their view on university education by raising their voices and lifting up their pens. Because the government is under the unfortunate view that this is just a few people on the Labour Party side speaking. The people of Barbados will have to speak about whether they are comfortable with the great betrayal that sees them now bearing the brunt of the adjustment in a public service through their jobs, or whether they are prepared to raise their pens and raise their voices and let it be known that the government cannot continue to treat them as if it was imposing tyranny by not letting them know who will be affected, when they will be affected.

We can all talk sensibly about how we get this economy and this country out of this position. But it has to be from the perspective of respect. The government having two consultations with titular heads of the private sector and the social partnership cannot substitute for proper consultation with the people of Barbados. And this budget that has been presented is a budget that has been presented without a mandate. Because there is nothing in here that is of serious consequence - in terms of taxation, in terms of expenditure, in terms of the removal of university fees - that has received the blessing of the people of Barbados when they went to an election to vote for a government less than six months ago. These measures are without a mandate. They do not have validity. And worse than that, they lack coherence.

And the IDB document, which I hope the others will deal with in here tonight, and I will deal with on Sunday, sets out the obligations as to the conditions where this government says clearly to the IDB, we intend to reduce expenditure and we intend to do it by ensuring that we rationalise the cost of personal emoluments through the containing of transfers. This was what was written in 2012. And the Minister of Finance called the then Leader of the Labour Party and tried to mask it out for speaking untruths. A blatant untruth. And, Mr. Speaker, sir, only to find out that a project that they had hoped to sign off by September 2012 will now be signed off before December 2013. And what does it have in it, Mr. Speaker? Commitments that they denied.

So when I tell you that this budget has no mandate - the Minister of Finance, the Prime Minister, the Minister of Health, the Minister of Transport, all the clippings I have here that I cannot quote from, saying that there will be no layoffs in the public sector, that there will be no job losses, batting down the line - and all of a sudden, sir, \$50 million in cuts in the Central Public Service, \$100 and \$200

million in cuts to statutory boards, and the possibility of another \$130 million in cuts on the rationalisation and elimination of statutory boards by December. Mr. Speaker, the Barbados Labour Party cannot support this budget because we cannot give this government what the people of Barbados has not given it. The people of Barbados has not given this government a mandate for this budget and we cannot give it therefore a mandate for this budget.

This is not a time for us to discuss what could or what should be. It is a time for us to settle on what is and what must not be. And our perspective on this budget is that this must not be passed and must not be inflicted on the people of Barbados, because it would be equivalent not only to the great betrayal, but to them being ambushed in the middle of the night by people who paraded that they were the most charitable people on Earth and told you, come into my house and let me take care of you, come into my house and let me support you. And once you entered the house, you were murdered by taxation and now facing stagnation for a generation. I am obliged.

Mr. SPEAKER: Yes, the Honourable Member for St. Michael South Central.

Hon. R. L. SEALY: Mr. Speaker, I rise to speak on the resolution that is before the House. Mr. Speaker, I will be supporting the resolution. And I do so, of course, in my capacity as a representative for the people of St. Michael South Central. And I want to once again thank them for making it possible for me to contribute yet to another budget debate and to represent their interests in this honourable chamber. So I thank them and assure them that I will continue to represent their interests and that even in these difficult times, I will not shy from my duties in terms of advancing their interests.

But I have to, in supporting this resolution, I want to start, of course, by commending and complimenting the Honourable Member for St. Michael North West, the Minister of Finance. I want to say how courageous he was to come in here with measures that at the individual level may carry some unpopularity, but at the same time being bold. And I say that because I know that the member who just took her seat spoke for two and a half hours about the measures on the fiscal side, but with respect to the growth programme, which is so exciting, she could only get to that and hustle in a 15-minute bit on that, a 2020 innings on that, but tell you the truth, that is very fundamental to what we are doing as a government.

And I want also, Mr. Speaker, to commend everyone involved in preparing the Barbados Growth and Development Strategy 2013 to 2020. It is a well-written document. It is something that provides a blueprint for serious development in Barbados, not only to get us through this crisis, but at the same time to put us on a path

for growth. And so I take this opportunity to commend everyone who have helped put this together: Dr. Woodruff, Derek Gibbs, Mark Durand, Patrick McKaskie, all of the others in the Economic Affairs section of the Ministry of Finance who worked with us in putting this document together, because I think it is very important. It forms the basis for this budget in terms of what we can do going forward.

It is a fact, Mr. Speaker, that with respect to the islands in the Caribbean, what has bedevilled the development and in fact has been the bane for many of these islands is, one, the high levels of debt, and two, low levels of growth. There is also susceptibility to natural disasters and some other things, but those are the two main ones. And in this budget, this creative work of statecraft, we are actually dealing with both of them and doing so in a manner that this government can continue to protect the society that we hold so dearly, because it is important that we do that and we understand that measures taken inappropriately or measures taken just to win an election or measures taken just so popularity can undermine the very same society you are trying to build and protect. And this Democratic Labour Party understands that. And I again salute the member for St. Michael North West coming in here and having the courage to present these measures.

Because the truth is, the people voted for the Democratic Labour Party on February 21st. I think I need to repeat that because apparently a few people in here, and maybe a few out, have forgotten that simple fact. The Democratic Labour Party enjoyed the support of the people of Barbados on the 21st of February. And they did so not because we were doling out goodies. They did so because they appreciated that this government has managed the affairs of Barbados well in the worst global economic recession since 1929, since the Great Depression. That is why we won the election. And what we are seeing here tonight is that the very same reason that you supported this party to govern your affairs is the very same reason you have to support us with these measures during this period when we have to get past these difficulties. That is what it is about.

This has been a period worse than the oil crisis of the seventies, worse than the recession of the eighties, worse than the recessions of the early nineties, worse than the post-9/11 in 2001. This has been the worst since 1929. And we have managed this situation in spite of many difficulties that we have had to deal with. And you know what is really funny? Listening to the member that just took her seat, because the argument will be made, we came into office in January 2008. Of course, they will say that we brought the recession with us. It was our fault because that is precisely when everything went into a tailspin. And they say you are governing. So it is nothing to do with what happened before 2008.

Mr. Speaker, one of the problems we have in terms of dealing with the deficit and paying bills is the high cost of wages to public servants. And we have pledged to preserve jobs at all costs. And Mr. Speaker, we have succeeded in that regard. And one of the reasons again, it was at great difficulty, but we kept all of the jobs in the public sector during that period. It has not happened throughout the Caribbean. I hear reference to other islands but do not talk about what they have been doing to deal with this period. We have not had to go that route. And what is really, you know, the paradox in that is that most of these people were hired between the 1994 to 2008 period. And yet we are doing everything possible to keep the jobs in place for persons who by and large were hired before 2000. We did not have that opportunity. And time again when supplementaries come in here, you will see savings are taken from another head. We have not had the bonanza of supplementaries we used to have in here before 2008. Remember, for St. Philip West, every Tuesday, our pilot supplementaries in here - we have had to govern responsibly.

During the last election, the Barbados Labour Party actually said the truth about jobs - between 1994 and 2008, the BLP created 35 000 jobs. This is it, their own words, this yellow sticky here, it says here, paid political advertisement by the Barbados Labour Party. This is an admission, really and truly, of the difficulty that this Democratic Labour Party has to deal with. Because most of these 35 000 jobs are people they just brought on in public service. They did not create any jobs in any new industrial activity. They did not expand any existing industry. They just hired people. The public service ranks went from 18 000 to well over 30 000, so at least 20 000 people came on - because we cannot even keep a proper track of it because a lot of the people hired in these statutory corporations are not reflected obviously in the establishments - and we are now trying to get a handle on this whole thing and at the same time still keep these people employed. So that is the reality.

Mr. Speaker, the challenge of dealing with this environment, trying to be financially prudent, and trying to deal with the issues of low growth and at the same time an aggressive programme, a credible programme, to get the deficit under control, and of course to have similar aggression with respect to growth. And I think that this government needs to be saluted for its efforts in dealing with these issues. We are doing so in a very creative way as well. Support is provided for the traditional sectors. I am going to get to tourism obviously in a minute, but you saw support also go to the international business sector, more money to market the jurisdictions, to go on top of all the fantastic work this government has done - new legislation, the tiers, the double taxation agreements and so on, particularly in Latin America, Mexico and Colombia and so on, and the Czech Republic on the other side of the

Atlantic. We have done work in that area. New initiatives with respect to sugar and non-sugar agriculture, new initiatives with respect to the rum industry and dealing with their challenges and trying to encourage them to move away from the bulk rum production and to deal with this issue that they are having with out of Puerto Rico and the U.S. Virgin Islands. We are attacking the traditional sectors and doing what we have to do.

But at the same time, and this is where chapter five of the Growth and Development Strategy speaks of new areas - the cultural industries. We think that there is a lot of potential there. Areas with respect to the green economy and those related technologies and what that can do for us, carving out new sectors and new niches of activities that we can get some more growth for Barbadians. Barbadians are not stupid. We saw that. We saw that on the 21st of February. No one fell for any nonsense. People are thinking. People want to hear ideas. People understand that these are difficult times, Mr. Speaker, and they want to know what you are doing to get you through it, Mr. Speaker. That is what we are doing.

And let me be very clear as well because I know one of the real popular subjects coming out of what we have had to do is with respect to this issue of fees charged at the University of the West Indies. Let me just tell a little story, Mr. Speaker. When I was first elected in 2003, Mr. Speaker, I was interviewed by a young lady who at the time was working at Starcom, very, very good friend of the Member for St. Michael North East. And she interviewed me. You know, new Member of Parliament wanted to hear what your ideas were. And one of the things I spoke about before I had even sat down in here once - I think this was the same day that we were sworn in at Government House - and one of the things she asked about was the issue of education. And at that time, Mr. Speaker, I indicated that one of the things we had to look at is with respect to how we handle education and the cost of it. I felt then, and I still feel now, that people who can afford it should be asked to make a contribution. And I do not see it as a violation of the Barrow Revolution. What Errol Barrow did was come up with a policy appropriate for the times to make education available. Access was the issue. And if you indicate to people that they who can afford should be asked to make a larger contribution to the tertiary issue, it is something that I understand, Mr. Speaker.

And it has agonised - yes, I remember when the issue of the student amenities debate came up and the member for St. Michael North East actually recalled that interview and made fun at me. It was difficult for us, myself and the members of the parliamentary group. At the time we disagreed. Of course, I did not care about that, but we disagreed. But the reality is that is how I see it, Mr. Speaker. And one of the things that I did as a member of parliament, and I continue to do it, we have something

called the Help Them Learn Foundation. Because the reality is there are still a lot of costs going to the University of the West Indies. For one, in Open Campus and the Centre for Management Development, you actually have to pay fees in certain areas - the extramural, what they call it, continuing education, and so on. You do actually pay. And that is the Open University. But even, apart from the amenities fees, you have to buy texts and they are not cheap, especially in the applied programmes, things like medicine and law and so on. So we already ask people to contribute.

And what the government is saying is that the economic costs are okay, but we are simply saying we have to be a little more creative with how we deal with the tuition element. The member for St. Michael North East complained about a lack of text with respect to the budget, but yet got on her feet and was intellectually dishonest with this chamber talking about the fact that people now have to pay for education and poor people are going to suffer and be deprived of an opportunity. When in black and white right here, right under the paragraph that she was speaking, it says clearly this policy will reduce the transfer to UWI by \$42 million, but it goes on to say the Ministry of Education will provide further details on a means testing mechanism to ensure that no deserving person is denied access to university education because of the means of their parents. Why not say that? So all of that old talk, all the crocodile tears and choking up - I understand that. It says here in black and white, the same page 64, the same page 64 that she referred to talking about the fees and so on. Right there it says no deserving person is denied access to university education because of the means of their parents. It goes on to talk about the student revolving loan scheme and education savings programmes, something that every Barbadian does anyhow. Most people in fact do have savings programmes for their children, assuming that they may one day go to school overseas or even if they do not, that they have a little something to help support them. So we are just suggesting that we need to be a little more creative in how we go about financing tertiary education and there is nothing wrong with that, Mr. Speaker. And we have made it very clear that there is a safety net there so that no one is deprived.

So we are not taking any lectures from the Barbados Labour Party or the member for St. Michael North East about abandoning the Barrow Revolution. Look, in the face of the economic crisis, we found money for the [Inaudible.] Hill school. We found money for the lab at Harrison College. We found money for the new wing at Parkinson Secondary School. We found money for the new - practically rebuilt the [Inaudible.] school. We did the electrics at the Garrison Secondary School, at St. Leonard's. Finished it, finished it with a real contractor. We have done all of those things. So do not let anybody suggest to you that we in any way have abandoned our

commitment to education. This party is the education party and we are going to make sure that no one will be deprived of an opportunity to further their studies.

So, Mr. Speaker, that is where we were and I could not simply allow that bit of misinformation to go out there. And I think it's important that we get that together. You know, the members of the St. Michael North East, not surprisingly, decided to focus a little bit on the tourism element. And, you know, there are some things that I think need to be corrected, and a few bits of information that would help. You know, you see, I don't mind her quoting from, as she says she gets the documents that I get, and I initiated that ever since. Remember, St. Michael North, I told him to stop peeping around behind people at the BTA, and I told him, give the documents to them. I have nothing to hide. I wish she would refer to both of the documents she had, because she spoke about the declines in long stay, but she wouldn't talk about the tremendous increases in crews and the fact that they have been going through the ceiling.

I don't get this numbers thing so much in terms of arrivals, okay? Because there is an inherent absurdity in it. And she has provided a very eloquent example for me. Aruba, very nice Dutch protectorate. Not the most picturesque place, I guess, the dry, arid climate, you know, and so on, but it is lovely beaches and so on. Nice friendly people, cosmopolitan, part Latin, part Dutch, part English and so on. Beautiful place. Now she refers to the fact that they get 900 000 tourists and we get 500 000. 900 000 tourists that are spending \$1.35 billion U.S. And that includes the cruise element. Now, if you take out the cruise, those tourists that they're getting are spending less than the 500 000 we are getting here. So there is a stupidity in simply looking at numbers getting off aircraft. I tried my best to get the members of St. Michael North to understand this. Of course, he has been superseded - now there's a new shadow minister of tourism. But the point I'm making is that having a whole set of Americans and Venezuelans as Aruba gets, coming for weekends, staying in discounted hotels, is not going to have the economic impact, the spend, or the drop that you want. You have to get more bed nights. You have to look for the right business.

And that explains, Mr. Speaker, why it is in the 10-point plan on top of the island inclusive, we focused on UK. You have to respond to what the consumers are saying. The APD has been an issue for our major source market. We are still the preferred Caribbean destination. For the United Kingdom, it is still our number one source market. We have to shore it up. Will you understand that? Well, everybody knows that. If you as a 400-metre runner, you have a strong back stretch, you don't ease up on the back stretch. You hit the back stretch hard. If you are a strong turn runner, you hit the turn hard. It is our number one source market. That is why we went with the APD.

And that is also why we have been focusing on the issue of airline seats. We always knew that the 747 was an inefficient aircraft and it was only a matter of time before Virgin changed it out. They have changed it out - the Airbus, the more efficient aircraft. And, you know, the member for St. Michael North East with all the table thumping spoke about the loss of seats of Virgin. But the whole reason why we embarked on another relationship with British Airways - not British American, it is British Airways - was because we knew we had that issue with Virgin. At one point we had as many as 14 flights a week coming in here from British Airways. And that is because we knew BMI was not an option. We knew the Excel Leisure Group was not an option. Casualties of the recession. This non-existent recession - remember when St. Michael and Arthur talked about a non-existent recession - that took out major partners from our source market and have forced us to be a little more creative in terms of looking for new business in other emerging places.

So I think we need to say that. And again, the same set of documents that she collected from the BTA, that also spoke to, that told her about the smaller aircraft, also told her about the Thompson Tours aircraft that will be coming here from this winter season. Thompson is part of TUI, the world's largest tourism company. And listen to this, Mr. Speaker, Barbados - that has gone through all this tsunami-type destruction in tourism - they are sending the Dreamliner to Barbados, the newest, most exciting aircraft in the Boeing fleet that they have. I understand that TUI, as I said, is the world's largest tourism company doing business all over the world. And Barbados is one of five destinations worldwide, one of only two in the Caribbean, the Dominican Republic being the other, where the Dreamliner would be flying to. This Barbados destination was able to achieve that, Mr. Speaker. So you see we have been working hard to shore up the issue of tourism and making sure that we understand what's going on. But please, please disregard the nonsensical bit about Aruba and so on.

Again, I am very careful with these discussions because people tend to think that you're not trying to pull down anyone. We are a desirable destination. We are going through a difficult period. We have seen increases, we have seen some decreases, but what is important is that you build your fundamentals - the same concept contained in the Growth and Development Strategy. That is why we are working on a tourism master plan that will be finished by September. It was supposed to be completed in June, they've asked for an extension, and I will take responsibility for that because there are some additional things that I wanted to see in the master plan. So that's why we have a master plan. That's why we have a tourism host programme to take awareness to another level so that the visitor experience is enhanced in Barbados. That is why we are looking at our investment end differently, Mr. Speaker.

And having said that, let me just say I mentioned about the improvements to our crews. But the Member for St. Michael North West, the Minister of Finance, announced the Sugar Point issue. The Member for St. Michael North East touched on it and indicated that she couldn't see how it could start in January. The truth is the project has more or less already started because the investigations and so on have been done - engineering works and the like. And the member is also well aware. I mean, she has a relationship with the proponent of that project that is very similar to the one with Four Seasons. I remember - you have to say no more than that. I will announce that on Sunday. When she has her political meeting, she can announce that and she can talk about the cruise pier and Four Seasons. She can tell the people of Barbados about cruise pier and Four Seasons. She can talk about that. But the Sugar Point project, something that this government has had to do in difficult circumstances - the separation of cargo and cruise activity at the port should have happened a long time ago, and it certainly should have happened between 1994 and 2008, when we had all the resources, in the times of plenty, but it did not happen. So we now have to do that, Mr. Speaker.

So we are happy to see the budget speak to a number of tourism initiatives. We're happy to see, Mr. Speaker, that over the next 18 months we'll have additional resources to market. We are happy to work on the events calendar. And for some reason, again, I don't know why the Rihanna concert would present so much difficulty. The member for St. Michael North East - she took up money and went to see Beyoncé in Miami. Well, white people can't come here to watch Rihanna. Why you understand that? She took hard-earned - or hard-embellished or hard-something - money and carried on to watch Rihanna. But within one day, 300 people bought tickets for that concert on the 1st of November, to come into Barbados. Any member of the St. Michael North East knows this. The Loud concert worked wonders for us in terms of spend and what it did in terms of even adding to the Crop Over in 2011. So I don't understand the issue there. And we're going to continue to work.

The Minister of Finance has given us resources to work on our events programme. I'm happy to hear the \$50 million refurbishment fund will be put in place. That was announced. The NIS providing the resources and the Central Bank coming up with a nice scheme to channel it to the hoteliers because we know they need to upgrade the quality of their plant. And they should be very, very, very happy now. The issue of the energy rebate - that was something they asked for. They said their light bills are too high and their water bills are too high. And we came up with a proper plan. Not any nonsense scribbled on the back of an envelope to send BNTB back into the red. No, no, no, no, no. No energy policy or something scribbled on the back of an envelope that you couldn't even make a

document of the House - to only put BNTB back in the red again. No, that's not the energy policy. We came up with something that the sector can live with. So we are working with the issue of cost so they can be more competitive. VAT has been reduced to the levels that they asked for pre-increase. And tourism direct services are seeing a massive cut in their VAT. So we are doing everything for the sector as a government, Mr. Speaker, and we will continue to do that.

Related to tourism, of course, from the international business side, we are trying to develop an aviation policy to see that we develop an aviation industry because we feel there's more we can do there. 23 000 tons of cargo coming through Grantley Adams. We can increase that and become a hub for transshipment. Of course, the port - we are also working on the port master plan with Sugar Point. That gives us more real estate to deal with, to become a genuine cargo logistics hub. We transship three per cent of the cargo that comes through the Bridgetown Port. Now we can add to that - we'll have more space. And that in itself, again, is part of the new initiatives to get growth. So this government is serious, Mr. Speaker, about handling our challenges with increased growth.

So I am very happy to be part of this group and to once again salute my colleague, the member for St. Michael North West. We're not taking any lectures from anyone who basically isn't making much sense, or for that matter any of the leaders on the other side. I think there are two or three now - or three and a half. I can't keep track now. But we are not going to get caught up in that. The measures put in place by this government, and of course vindicated and further enhanced in this budget, will have some challenges, but at the same time they will put us in a substantially better position - or rather they will improve the foundation so that we can improve all the lives of Barbadians in the long run. We are prepared to go through some tough period in order to see that all Barbadians get to benefit. I'm obliged, Mr. Speaker.

SUSPENSION

Mr. SPEAKER: Yes. Honourable Member for Christ Church South.

Hon. J. D. E. BOYCE: Mr. Speaker, I beg to move that this sitting be suspended for one hour until a quarter to nine this evening for dinner.

The question that the House be suspended until 8.45 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the House accordingly.

RESUMPTION

Miss S. J. O. BRADSHAW: I rise to make this my first budget presentation, and I do so in response to the financial statement and budgetary proposals which were laid in this chamber yesterday afternoon by the Honourable Minister of Finance, Mr. Chris Sinckler. Unlike the Minister of Tourism who spoke before me before the break, I intend certainly to spend much more time on the tourism sector than the Honourable Minister did. I hope that the time he spent on this sector is not a reflection of the amount of attention which he has been paying to this sector. But I do believe that as one of the engines which drives the Barbados economy, much more needs to be said in this debate on these budgetary proposals about the tourism sector. And so I have had to change the nature of my introduction and my presentation because I do not want the opportunity to be missed in addressing the nation on this very important issue.

I would have hoped that the Honourable Minister, in responding to the budgetary proposals, would not only have said that the tourism master plan - which has been much touted about since 2008 - would have been on the table by September of this year, but would certainly have asked the Honourable Prime Minister to call for his resignation in September if the master plan is not produced before this chamber. And I say that because the current administration has embarked on a course in the tourism sector which is not led by any strategic plan, which is not led by any clear strategy as to what the proposals are in terms of where we intend to take tourism. Every year we have heard the Minister of Tourism come to this chamber and tell the people of Barbados that a plan will be laid before this chamber in the next few months, in the next few weeks. Now we are hearing once again that the said plan will not be laid before this chamber or even be ready until the next three months. And I say to this Honourable Chamber that enough is enough.

I say that because too often we are hearing in this chamber that serious matters are being taken lightly by the current administration. We are hearing that matters such as terrorism can be thrown under the carpet, that not enough attention is being paid to the seriousness of charting a particular direction for the sector. And I say to the Honourable Minister that better can be done.

As I listened to the budgetary proposals yesterday and the Minister of Finance's presentation, I recall he asked us to look to Ecclesiastes and ponder on the issue of a time for everything. And I say to this Honourable Chamber that the time for the Democratic Labour Party to tell the truth is upon them. It is not enough to come to this country with a budget and simply cast aspersions on the character of the Barbados Labour Party or previous administrations; it is not enough to blame what the current administration wishes to continue to do repeatedly and blame the international

recession. When in actual fact, when you look at countries in the Caribbean who are affected by the same external factors, they are all performing better than Barbados. And you would have heard the statistics led earlier by the Honourable Leader of the Opposition, as it relates to how Barbados is performing in the tourism sector. And the members on the other side would have scoffed at these statistics. But the facts are there - that even St. Lucia, which many Barbadians themselves would certainly not believe could in any way be outperforming Barbados, is in fact doing so.

The fact is that when the air passenger duty - that the Honourable Minister of Tourism likes to talk about so much, as though it has impacted so dramatically on Barbados and that we are unable to get out of the serious nature of the air passenger duty - St. Lucia took corrective action in the early stages of the introduction of the air passenger duty to ensure that it was able to have the appropriate airlift into its country. And while we are now hearing for the first time within the last few days or weeks, rather, that we are now introducing an air passenger duty voucher or credit voucher, the fact remains that it is simply not good enough that Barbados is responding once again in a tardy manner.

I say that, Mr. Speaker, because when I look at the steps that were taken by St. Lucia, I recall that Thomas Cook, for instance, offered to waive the APD for travel to St. Lucia. And therefore, any passengers who booked their flights to St. Lucia between the 24th of August and the 13th of August of 2012 for travel between the 1st of November and October 31, 2013 saved up to US \$500 for a family of four. St. Lucia went further, and they also offered at certain resorts that if you booked seven nights in St. Lucia, you got an extra night free. We have heard nothing from the Minister of Tourism in relation to the air passenger duty voucher as to what is going to be offered. But yet we have heard this 10-point plan and we have heard it spoken about, but no specific points even elaborated on today in the discussion that would give people in the tourism industry the confidence that something is being done and that it is being done in a timely manner, because the fact is that time is certainly of the essence.

We in Barbados are in a very difficult position at the moment. We are experiencing competition from our regional neighbours. As many of you would be aware, St. Vincent, I believe by early next year, is going to be building out the Argyle International Airport. And no doubt there is going to be significant traffic going to that destination. And it is going to that destination because a number of the operators are actually seeing the other islands as viable destinations. It is not that Barbados does not pique the interest of tourists anymore, but the fact is that when you look at what the Democratic Labour Party

has done over the course of the last few years since it took up office, you realise that more could have been done as it relates to this sector to ensure that Barbados was promoted and marketed effectively.

In 2008, when the then leader of the Democratic Labour Party was in office, he pointed to the fact that more needed to be done in the sector. He himself spoke about the Tourism Master Plan back in 2008. And again, the usual grandiose plans were expounded by the Democratic Labour Party as to all of the strategic things that needed to be done in the market as it related to the tourism product. But instead, what we have had is a hodgepodge of policies over the course of the past six years, and I say hodgepodge because there is no clearly thought out and properly executed plan of action in the sector and by the Minister of Tourism. How is it that you expect to drive tourists to Barbados? We have seen the numbers declining in significant numbers over the course of the past few years. We have seen a decline in the average spend by our tourists that are coming to these shores. We have seen a closure of several of our attractions across Barbados. We all accept that the hotel plant is an ageing product. And we expect that in light of all of these factors that the Government of Barbados would take corrective steps to ensure that more is done in the marketplace.

But instead what we have are a number of things which the Democratic Labour Party would wish us to believe are the solutions that have been articulated by this administration - things which have been done, which the Honourable Minister himself seems to have difficulty even speaking to the country about today, which is the prime opportunity to expound on a number of these issues to let the public of Barbados know exactly what is happening.

Now when the 10-point plan was discussed a few weeks ago, what was interesting is that the Government of Barbados spoke about a number of plans for the hotel sector. It spoke about collaborative efforts between the Ministry of Culture and opening the St. Lawrence Gap 24 hours. Well, I do not know how many of you visit the St. Lawrence Gap area, but I can tell you that the St. Lawrence Gap area is already, in some respects, a 24-hour operation. Because there are a number of vendors who are along the wayside trying to ply their trade in very difficult times right now, trying to ensure that whatever business may pass their way, that they are able to capitalise on. But what the current administration fails to tell the public of Barbados and to address is the issue of the noise pollution affecting the hotel operators in St. Lawrence Gap, and that the hope for a 24-hour operation would have to equally address the issues of noise pollution in St. Lawrence Gap. So it is not an easy and ready solution to the problems that are facing, whether the taxi operators or the restaurants or any of the businesses in the gap. There are actually very few operations in St. Lawrence Gap. And we have seen a

significant decline in the number of live music opportunities in that particular area. So I would have hoped that the Minister would have elaborated more as to what is intended for that particular plan. But as usual, it comes in the same vein as almost all of the other proposals that the Honourable Minister speaks about when he talks about tourism.

The other plan that was alluded to in the 10-point plan was also a five per cent rebate on the electricity. And we have heard spoken before that it has not made a significant impact on the hoteliers. The reality is that whilst the rebate may go some way, the fact is that the operating costs for hoteliers are very significant. And so while they have been calling for reductions in the operating costs, this on its own will not bring a solution to the problems that they are facing.

It is interesting that the Ministry of Tourism and the Minister would also have endorsed a number of the proposals in the budget. And I wish to draw this Chamber's attention, Mr. Speaker, to the fact that this \$50 million U.S., which is touted as having a component of U.S. \$27 million for the marketing and promotion of Barbados and another U.S. \$13 million to pay creditors, is certainly an acknowledgement - particularly the first component - of what the Barbados Labour Party has been saying for some time, that the sector needs the relevant funding in order to properly market and promote it. But what concerns me is that the funds which are being sourced from the U.S. \$100 million fiscal policy base loan to be negotiated with the IADB is only to be done later in this year. Which means that we are likely once again to totter along through this year's winter season in the hope that the monies are disbursed before the end of the winter season.

And why is that important, Mr. Speaker? It is important because the World Travel Market takes place in November, and as I am sure most of you would appreciate, Barbados needs to be in a position to be able to market and to promote itself to the various tour operators if we are supposed to have a bountiful season in the winter months. The critical window obviously being after Boxing Day and up to January 31st. So it is critical that we hear more as to where we are as it relates to the disbursement of these monies.

What is also interesting is that of the \$100 million U.S. which is spoken of, there is only \$50 million being spoken of in relation to tourism. And therefore the question which I have to ask of the Honourable Minister of Finance is whether this additional \$50 million which is spoken of will in any way hinder the development of the \$50 million being disbursed through the IDB loan. Because it is not clear whether the additional \$50 million is in relation to the tourism sector or in relation to another area of critical importance. And therefore, if we are to be taken into the

comfort of the Democratic Labour Party in getting us out of this crisis, I think the people of Barbados need to know exactly when these monies will be disbursed.

Why is it urgent that we know when these monies will be disbursed? Because when you look at the cost of coming to Barbados, it is right now very expensive. Barbados continues to be one of the premier destinations of choice, but at the same time it is expensive for most travellers in the overseas markets, and particularly in our source markets. In contrast to Barbados, you can get a flight going to St. Lucia for instance for 579 pounds. Barbados right now, the prices are somewhere in the region of 622, and the 579 will include for St. Lucia the ability to book your hotel accommodation as well. So we are in a situation where at the point of sale consumers are making a decision as to whether or not they want to come to a high-price destination.

I must tell you that right now St. Lucia is promoting itself as quite an ecotourism destination. When you look on all of the online websites you are seeing them promoting the Soufrière, they are promoting mud baths in St. Lucia. When you look, correspondingly, at Barbados, you do not see any similar marketing and advertising being done in this market. And therefore the choices that are being made by consumers are completely different to the choices that may have been made before. People are therefore looking at the costs and making decisions based on the costs and also the experience that they will have on the island.

The St. Lucia statistics are also particularly interesting. And I know the Minister tried to dismiss the statistics on Aruba previously, but the fact is that St. Lucia, who is affected by the same APD, has actually increased its passenger arrivals by 4.8 per cent, whereas Barbados' figures are down by 6.8 per cent. So it is very telling that this chamber is being asked to believe that with the same external factors, the other islands which once we were ahead of are now outperforming the very country that we consider to be the gem of the Caribbean.

Now, Mr. Speaker, I think that we have to take a critical look at how we bring our tourists to Barbados. The Minister spoke about the Dreamliner and obviously it is critical to the development of the tourism sector that we ensure that we have adequate airlift.

But what I find that the current administration constantly wants the people of Barbados to believe are a number of untruths or in some cases they like to not tell us the full facts of what is happening. So the Honourable Minister would stand here in this chamber and speak to the fact that a Dreamliner is coming here later this year, but not level with this chamber and the people of Barbados and tell them that the Dreamliner has a capacity of 271 passengers, but it is also an air-to-sea transit plane. And therefore,

whilst it sounds grand to hear that a new plane is coming to Barbados, it is not enough simply to say that without explaining to the public of Barbados that those passengers or the majority of those passengers who land in Barbados will actually be transported to the cruise ships, which as the Honourable Minister pointed out, the cruise ship arrivals are up. But the average spend for those cruise ship passengers is actually considerably less than those of the landed passengers coming on the airplanes. And those are the things that the people of Barbados need to know, because it is not simply enough to say cruise ship arrivals are up without giving a corresponding analysis of what the average spend is by the same cruise ship passengers.

And that is why it has been important for Barbados to maintain its airlift capacity to Barbados over the years. That is why, even though we will lose a bit of the airlift over the next few months prior to the winter period, it is important that we market and we promote this destination in the best interests of Barbados and of all Barbadians.

Now, I want to move on to the other point that was mentioned in the budget, which is the promotion of Barbados as this events and logistics and promotion hub. And it is the second initiative which is listed in the budgetary proposals. But to my certain knowledge, most of the events that have been listed on the calendar in the budget actually already exist on the calendar. And I'm open to the Honourable Minister correcting me if there's something that I do not know. But the fact remains that the Barbados Reggae Festival in April already exists. So does the Crop Over Festival in August. The CPL Cricket Tournament happened just this year. The Food, Wine and Rum Festival in November has already been on the calendar. And to my certain knowledge, government already contributes to all of these events in some form or fashion, whether it is in flights, whether it's in marketing, whether it's in some form of sponsorship. So there's really nothing new here that the government of Barbados is bringing to the people in this budget.

The other events that are mentioned, well, it is left to be seen what happens with the issue of the Bushy Park situation. The Minister says one thing, another minister says another thing, the Chief Town Planner says something different. So whether or not the Top Gear Motorsports Initiative will or will not happen is certainly left to be seen, but the minister or other members are free to speak on that. I cannot address the issue of the Barbados International Arts and Music Festival, which is due to appear in September/October, because I'm not aware what it is and no one has thus far elaborated as to what it is. And I'm in the music industry and I am waiting with bated breath to hear hopefully from the Minister of Culture what that is going to be on the entertainment calendar. The last event that was mentioned was the new international yacht race in December. I beg the question whether this means that the

old ones are being replaced. Because I remember when I was in the other place, I heard much said and touted about the issue of yachting and how much investment was being made into yachting. I beg the question of whether the former senator is still receiving significant consultancy fees to promote this sector and whether, in fact, we are seeing the return on the investment from this particular initiative. Because no facts have been laid before the people of Barbados to determine whether this so-called new initiative is, in fact, benefiting the people of this country. And therefore, I would hope that members on the other side would seek to address it.

But the other thing which is of interest is that, as usual, the Democratic Labour Party likes to rebrand and to rename things. So when I look at the initiative called the Barbados International Culture and Sports Tourism Promotion Initiative, I can only think that this is yet another rebranding exercise. Because it sounds to me like it is cultural tourism, it sounds to me as though it is sports tourism, but it now just has a very fancy name which describes it in that particular way. And it is yet to be seen what will actually materialise from that. The fact is that unless we are hosting large events like the World Cup or we are hosting the Olympics, we cannot with any certainty say that there will be a large movement of people from our main source markets. Yes, we may have a few people coming here for Crop Over. Yes, we may have a few people here coming for cricket, but the large amount of our tourists upon whom we rely to spend the money on these shores so that it trickles down not only through the hotels, but also to the restaurants and also to the wayside vendors, has to come from the planning of significant events that will actually attract people to these shores.

And so when we hear talk about the Rihanna event, I too support any initiative that will lend any assistance to Barbados in the form of marketing Rihanna. And I applaud the government's initiatives to embrace Rihanna. But at the same time, I err on the side of caution because the Barbados Tourism Authority cannot pat itself on the back for the number of tourists who came to Barbados on the last occasion, especially if it is based on the statistics that were put before us in the Rihanna Loud survey, which stated that the majority of the tourists did not come because of the BTA and its advertising on Facebook. The large majority of the tourists did not come here because of promotion on the Rihanna website. In fact, what happened was that average Barbadians made a case to other persons who were here for Crop Over to stay over in Barbados. So where you had over 13 000 people coming to Barbados, when they were surveyed - and I can see the Honourable Minister of Tourism will look surprised because he's probably not read the report - but the fact of the matter is that of the 13 000 people who came, just over 4 000 people actually came because of the Rihanna concert. So whilst this initiative in November is to be applauded, at the same

time it is at the early start of, or before the start of, the winter season. And therefore I believe significant efforts will have to be made if we are to make any impact in the market.

But that on its own, without being coupled with the \$50 million - which really, after you deduct the money which is to be paid to the creditors, if that money is not advanced quickly, we will not see the benefits that we all would like to see from tourists coming to Barbados to take advantage of the Rihanna concert. And the reality is, for those of you who may not be aware, most people will look at the tour dates and determine that they will go to a show when it comes to their destination. So people are not just going to pick up and leave America to come to Barbados to watch a show. Neither are people from the UK going to travel to come to Barbados or any other part of the world. We may attract a few tourists from regional travellers from the Caribbean, but the reality is that if we do not effectively market and promote the destination, we find ourselves in a position where we can only say that we've had a concert supporting one of our own, but we cannot complement it with the adequate resources for the marketing and promotion of the event.

That brings me, Mr. Speaker, to the issue of the hotel refurbishment fund. Because I believe this is yet another example of the government dragging its feet. Because last year in the budget, the government mentioned that this \$50 million hotel refurbishment fund would have been introduced. It has taken an entire year before we can hear once again in this budget of 2013 that plans are in place for the disbursement of these funds. Not last month or last week, but an entire year has passed before anything has been done in order for the relevant entities to be able to receive applications from the tourism accommodation establishments.

Now whilst the fund is intended to see a major improvement in the quality of the rooms and the amenities on the island, I wonder if clarity could be given as to whether or not a study has been done as to the state of the plant in this country. And when I say plant, I mean the apartments, the hotels, all of the accommodation sector. Because whilst \$50 million sounds like a lot of money, at the same time we hear daily about the fact that our plant is ageing, that we're not as competitive as we should be, and that we need to spend significant funds in order to upgrade the hotel plant. But I'm not aware that a study has been done in order to effectively address whether or not those monies would be sufficient.

With respect to the financing that the government has indicated will be placed in the Aman and the Silver Sands Resort Project, once again, the issue remains to be seen whether or not the financing is indeed in place. And the fact is that the history of the Chinese loans in this

country in particular is that even though government is stating that over 600 jobs will be created, the Chinese usually bring their own labour to Barbados in order to work on the various projects. So it is not that 600 jobs may not be created, but it may not be 600 Barbadian jobs. And unless the Minister is able to speak to the specific terms of the loan, it begs the question whether or not 600 Barbadians will in fact be placed in a position to obtain work. I am also cautious that when the Minister of Finance says that the Chinese are getting involved in projects in Barbados, it does not materialise, because I recall hearing in the 2011 budget similar assertions that the Chinese were involved in building out a performance entertainment centre down in the Minister of Finance's constituency, and that too has not materialised. So I err on the side of caution. They've also said they would build the Empire Theatre, and we know how that has turned out as well.

The government has also addressed the issue of the bond rates. What I will say is that the hoteliers have asked for the bond rates to be reviewed for quite some time. And I think that, yes, we've seen a decrease in the heavy cream product from 141 per cent to 40 per cent, but the fact is there are other items on the list that the hoteliers have asked for consideration to be given to. And I would have hoped that the Minister would not take, as it stands in the budget, six months to be able to make a decision as to whether corn on the cob, which comes up very seasonally in Barbados, is something which the hoteliers will not be able to have a reduction in the bond rates for. Similarly, things like apples, apple juice, pineapple and cranberry, none of which are grown in Barbados - I cannot see why the Honourable Minister of Finance needs to take six months in order to determine whether or not these juices can be allowed to be accessed by the hotel sector.

Mr. Speaker, overall, I believe that we are in no better a position at this juncture in our history under the Democratic Labour Party administration's presentation of this budget. Certainly the people in the tourism sector may gain some relief from the VAT on the accommodations being reduced, but without the significant inputs which they need to make into their operating costs being addressed, the issues relating to the operating costs will still remain.

What I will say, Mr. Speaker, is that nothing in the budget has certainly helped to alleviate the problems of the people in St. Michael South East. A number of the problems that are faced across this country in all of the constituencies still remain. The cost of living which the Democratic Labour Party came to office on a platform telling the people of this country that it would address - six years later it has failed to do so. If anything it has gotten harder. The issue of university education - I don't know how some people in St. Michael South East who can now not pay for books to be able to go to school will be able to

now afford tuition fees. And whilst you can talk about the issue of means testing, the fact is that not even the welfare department at this present juncture in our history can cover all of the people who require assistance under welfare. So it begs the question, how will persons who need to access education and educational loans and support be able to also be meted out with the necessary assistance? I say, Mr. Speaker, the cost of living in this country is rather high. I would hope that the budget would have addressed a number of the other issues which are plaguing this country. But it is not surprising that the Democratic Labour Party, in all of these sectors, has failed to do so.

Hon. R. L. SEALY: The Honourable Member was misleading the House earlier. I thought that since it was her first budget speech, I didn't want to disturb her. The Dreamliner is not a part of the Air Seychelles transfer programme. It's actually part of the cruise seven nights and you stay on land seven nights. It's not part of the air-sea transfer. I thought I would just correct the member. That's all. First speech. Thank you very much. The previous spokesman - you really couldn't learn anything from him or you couldn't teach him anything. So I wouldn't waste time interrupting him. But I just thought that I would mention that it was a bit of misinformation, a genuine error. It's not part of the air-sea transfer, the Dreamliner. Thompson is contracted by P&O to do Air Canada but not the Dreamliner. So I just thought I would make that correction.

Mr. SPEAKER: Yes, Honourable Member. It is clear

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Miss S. J. O. BRADSHAW: that the Honourable Minister speaks more when put to the challenge in this chamber than he does in relation to the issues that are affecting the tourism industry. So I am guided by the Honourable Minister on this occasion. But, Mr. Speaker, in my wrapping up, I cannot support the budgetary proposals before this chamber. We are seeing declines in our source markets. We are seeing the impact on all of the people in this country at whatever level of the society. And I am not sure whether the honourable members on the other side are certainly addressing the issues in their constituency, but I know that the concerns which I face daily have not been addressed by this budgetary proposal. I thank you, Mr. Speaker.

Mr. SPEAKER: Yes, the Honourable Member for St. Lucy.

Hon. D. St.E. KELLMAN: I rise to support the budgetary proposals and to say from the outset that had the Barbados Labour Party listened to what was said by the opposition, after September 2001, we would not be here tonight discussing the same issues. The same issues that they are raising, sir, are issues that were raised by us. And

we told them that it's not all about bragging about foreign exchange, but the important thing is growing the foreign exchange-led sectors. The Barbados Labour Party was interested in selling land, but they were not interested in pushing those productive sectors that would have enhanced the economy of Barbados.

Mr. Speaker, I have heard a lot this evening in this House. I have heard about how the University of the West Indies could help with the tourism project, and how the University of the West Indies have been able to increase the number of tourists coming to Barbados. We have no fault with that, sir. But the Barbados Labour Party should also remember that it was the Barbados Labour Party who chased out the naval base from St. Lucy. The longest staying tourists that we had in Barbados, they chased them out and they could not appreciate that the soldiers were tourists to Barbados too, and that they were making a contribution. But now today they could come to this Parliament and speak to university students as being tourists. When they should have understood from the beginning that the foreign exchange spending they were generating was high spending, and it was very developmental for the people of St. Lucy. But because it was in St. Lucy, they could not appreciate that type of argument. And I'm happy to see that they are now on the same page.

I've also heard them, Mr. Speaker, making the point that we are now putting an imposition on the students at the University of the West Indies. And then in the next corner of the mouth, they are talking about how they were the ones who introduced the amenity fees. Mr. Speaker, what we are doing in this budget is nothing new to the students of Barbados. Because all we are doing is continuing what the Barbados Labour Party did in good times. And what we are seeing is that you introduced the amenity fees when things were good. But now that we have a crisis, and we need to help you to keep you in the university - because if we do not do these things, then you have to carry the total cost. And instead of giving you the total cost, we are just asking you to help us in a time of crisis. Because when things were good under the Barbados Labour Party, they introduced the amenity fees. So I cannot understand, sir, how they could come in here with these crocodile tears as if it was not them who started to charge students who are going to the University of the West Indies.

But you know what is important, sir? This student has a choice. The student can do the right thing by going to the community college, doing the associate degree, and then only going to the university for the next two years, and they would not have to worry about two years' cost. But we have an alternative - the student has alternatives to this programme and that is to follow the right course, go on to the community college first where you do not have any cost and then go on to the university for two years. And if you

have a problem, apply to the Ministry of Education and the Ministry of Education will then look at the cost as it is impacting you and see whether they can pay or not. And if you can pay and you do not have the money up front, that is where we are saying, sir, go to the student revolving loan and you will be accommodated. I am sure that the Minister of Finance and the Cabinet of Barbados will not ask these students to go around looking for guarantees and guarantors to deal with this particular problem. We will ensure that we soften the impact on the masses of people in this country.

Look, let me tell you something. We hear a lot of talk about freedom. Jesus Christ came on this earth, Mr. Speaker. You see, the Bible says - as they call Jesus Christ's name, they believe you're cursing. You cannot pray in Jesus Christ's name, we bother's legacy. I just said Jesus Christ and they said cursing. But I will make the point, sir. If you look at the biblical underpinnings of this policy of the Democratic Labour Party, sir, you will see that there's a relationship between what we are doing and the Bible. When the first man said to Jesus Christ, sir, we have toiled all day and we did not catch anything, sir - He did not say, come, let me give you a fish. He told them what to go and do to solve the problem. When they had the rod and they did not have any wine, Jesus Christ did not give them the wine. He made them go and He asked them to do something and then He solved the problem. All we are saying, sir, is that the same way the Bible tells you that when you are in a crisis, you have to help yourself - we are saying to the people of Barbados that now we are in a crisis, let us all help ourselves. What is wrong with following the biblical side of it, sir? There's nothing wrong with that, sir.

But you know, we realise, and I've always made the point here, sir, that the Barbados Labour Party cannot count. On two occasions, sir, I've heard somebody say something is four, and when I add it, it was five. March, April, May, June, July, August - six, even more. But I was not saying the same five, six. Then you heard, sir, two words. Two words. You are fired. Supposed to be two words. I want to know which two to join.

Mr. Speaker, sir, I am hearing now that we should not have done anything about the APD. Mr. Speaker, look, the truth is, I have said to the Minister of Tourism, because when the APD first started, it was not affecting Barbadians how it was affecting others. And I said to the Minister of Tourism, please do not mention APD in any of your speeches because if people are saying that the APD is a negative, then you do not go out and remind people of a negative - because in the initial stages it was not important here, brethren. It was important in St. Lucia. That is why they had to go and put the programme in place. I've heard the last speaker making the point that St. Lucia - we should follow St. Lucia. And the next point that was made:

volcanoes. I am not aware that we have volcanoes in Barbados that we could do like St. Lucia, as the example given. So you see, sir, and another thing, sir, I heard a lot of talk about the Dreamliner. Everybody knows that all tourism packages are different and our tourism is different to St. Lucia. Because St. Lucia's tourists will be at the back of the plane; the majority of our tourists are in the front of the plane, and the Dreamliner allows the front to be loaded. They have increased the number of seats to the front of the plane. So I do not understand why somebody will be complaining about an airline that has been configured to suit the tourism market for Barbados. But there's also another point. Every time a plane comes to Barbados and that plane does not have any empty seats, we don't have to worry about paying for the empty seats. And that's a point the opposition needs to understand. But you see, the problem with the opposition is that when they were in government, they were interested in numbers, but we are interested in the number of passengers coming to the country - and that's the difference between the two.

So much for what the opposition said, so much for what they didn't say. And let me get on to my head now, sir. Mr. Speaker, for the last few months, I've heard a lot of criticism. I've heard a lot from the Honourable Member for St. Thomas asking me to speak on housing, on many things. I've heard a lot in the press and from the press. I've even seen an article in the press quoting me that I did not make. I have seen - not you, not your Member for St. Thomas - but that was done by your good friend who has a love of fear, a right to negativity, a right to lies and things like that. Mr. Speaker, sir, I've heard how I lambasted and how I said all these things about people. I never said anything about small contractors. The Honourable Member for St. Thomas will tell you that in opposition, I have always put a case for small people and I will continue. But one thing - I will not allow myself to be just tied down to discussing a case for the masses of people in Barbados before recognising that I have also to discuss the case for the country.

If you follow the policy of the Democratic Labour Party, you will see that every policy we put in place for the masses, the middle class and the upper classes can get it too. We do not pinpoint any narrow group. All policies are broad, and if people do not want to access our policies, it's up to them. Free buses for everybody, free education for everybody, free textbooks for everybody, caps for everybody - that has always been our policy. But people believe that because small contractors are lower-hanging fruit and they ask you a question and you say, yes, I have a couple of problems that I have to deal with, they immediately assume that it had to be small contractors that are the problem. But it's not the small contractors that I have a problem with. And I will tell you this: the problems in housing will be solved, and they will not be solved on the same blueprint that the Barbados Labour Party left,

because that was a blueprint of failure. What it will be resolved on is a policy that relates to all sectors of Barbados. The Ministry of Housing cannot be seen as a social agency. The Ministry of Housing must be seen as developmental and having economic value. And that is why we will put our policies in place to ensure that we think on the broader issue.

I've heard a lot of talk about how we are not dealing with the border issue. The truth is, the Cabinet of Barbados, the ministers of Barbados - all of us are ready to sign off on the border issue. But the issue can only be signed off when it lands on my desk. I'm ready to sign the cabinet paper to come to cabinet. But it can only come there when it gets on my desk. But I am telling you, I have cleared the way. The company has cleared the way, the Minister of Finance has cleared the way. We have done our part; we are just awaiting the file to sign off on the issue. And I said no more on that issue. So when you all want to come in here and talk, what you all want to plant in the press and do what you want to frustrate this government - that is after y'all. But I am saying that everybody knows that I serve in the Ministry of Environment, I serve in the Ministry of Small Business. I do not keep files on my desk unless I'm waiting for an expedition from somebody else. And I can tell you, once the file comes on my desk tomorrow, it is ready for cabinet. You all can talk what you all like. I do not keep files. You would know why you asked me if I got money to pay, because it's you that entered into the contract along with your other minister to get the building built. And the truth is, that debt is not all that. But we were telling you about your debt that you created.

Mr. Speaker, sir, I also want to say, sir, that we may have an approach to housing, sir, that we are not only looking, sir, at targeting our housing policy on low-income housing. And that has been the mistake by the Barbados Labour Party. Every time they came in here, they supported the low-income housing and created a problem for low-income people. Had they had a complete and focused housing policy, we would have solved the problem of no-income housing in this country. And what we are seeing, sir, is that we are going to be looking, sir, at commercial lots and commercial buildings. And let me explain - when I say commercial lots and commercial housing - because we recognise that we must have lots that will go on the market at market value, houses that will go on the market at market value, to create the amount of financing to help finance the masses of people in Barbados. But we cannot run a social agency without recognising that we have to create revenue to help those at the bottom. We will also continue to look at high-rise building.

And you know, I want to make a point. This country, Barbados, had a good opportunity to build a stone and to deploy the cash that we had in the banking system. The Barbados Labour Party sold out the people of Barbados by

allowing them to sell their shares to people who came in here with money. And instead of creating an instrument that I have been calling for many times - so that the Barbadians who had shares and who did not want to get rid of those shares would be able to keep their shares - they did not do anything about it. They allowed everybody to come in here, buy out the companies, and put the money in the bank. I am saying, sir, that policy will change under the Democratic Labour Party, because we understand, sir, that money in the bank earning 2.5 per cent interest is not operating at maximum capacity, and we need the money in the bank to help develop Barbados. And by helping develop Barbados, we need to start with Bridgetown. Look, when you look through and see the amount of money that this government has spent on Bridgetown and is about to spend on Bridgetown - the marina, the port, the water project, you name it - all these things have been invested. We cannot continue any longer to have these massive projects and the government has land around these massive projects and not dealing with them.

What we will have to do, Mr. Speaker, is use our land as our share and our contribution, with the permission of the cabinet and the people of Barbados. We will have to use that as equity and invite the private sector and the people of Barbados who have the money, sir, to come and join with us where we have a special purpose vehicle, sir - where we form a company and invite people to buy shares into this company, sir, to develop Bridgetown. We cannot have the Central Bank having all that landscape land there only for itself.

What we have to do now is to ensure that the same way that the Panama Canal can use a canal to drive development and for Panama, when one looks at the location of Barbados, one has to realize that we are strategically located and that our capital town Bridgetown must appear and will do what other towns have done like New York, London and so on. We will have to develop Bridgetown too. And I want to compliment the Minister of Culture also for the project here by the Empower Theatre. Because it is projects like these that will make a difference to Bridgetown. And Bridgetown cannot be only about Swan Street and Broad Street. We will also have to follow all the development. And we will have to blend the lower income with the higher income and attract people who can afford to live in Bridgetown to come and live with those living in Bridgetown.

We will also have to attract other investors who are willing to come now because if we are after the proposals by the Minister of Finance and this budget, where we are attracting the service industry and we are making special provision for the people in the service industry, we must find a place in Bridgetown so that when they come to do business in Barbados, there will be a one-stop to the Central Bank and so on, sir. So we are not an island, sir.

We also have, specially at Ding Town, sir, we also have to have a special purpose vehicle for that also, sir. Because everybody knows that Ding Town, that those lots next to the polo field, the elevation and so on, that we also have the capacity of driving high-level revenues from them and we must maximize those revenues to help the economy and allow it to think.

Also, sir, this enlightened Democratic Labour Party has been able, sir, to give over 500 people the housing lot, sir, at \$5 000 square foot. Over 500. At a time, sir, land in this country is being sold at \$30 a square foot. Which means that every time you buy one of those \$5 lots, you have additional capacity. So what you will do when you take your lot to the bank, the bank should not be asking you for a down payment and they have recognized - I have spoken to them and I have said to them that when these people come now to build a house, you should not be asking them for any down payment because when they bring the conveyance to you, they bring that down payment already. And they have accepted that if they have a piece of land that they paid \$15 000 for, with a value that could be as high as \$50 000, they have accepted that when they bring the conveyance that they are also bringing equity in the house already because the land value is much higher than what they have paid.

And I have said to them one of the things that you also have to do, that these people, sir, should not be tied down where the bank dictates to them the contractors that they should build the house. And they have accepted that because they have recognized that if the low-income people are to drive housing in this land, that they must be able to build housing the way they have been able to build it over years. So what we are saying, sir, that we have a banking system that has a lot of money, what we are saying that there is a lot of land, and we would drive the relationship between the land and the banking system and the financial institutions to make a difference not only for Bridgetown, but right across Barbados.

Under rural, we have recognized over the years that the Barbados Labour Party, even though they were the ones who drafted and passed the legislation for rural, never appreciated what rural, the capacity of rural. And they saw rural as only an institution that would build roads, repair houses and so on. What they did not recognize is that rural as an institution is a supporting agency for tourism, agriculture, manufacturing, even high-end tourism - anything you want to talk about. And we must see rural as the incubator for all these things. And I want to say this: on the rural, we cannot any longer enrol Barbados below the road to house. When we are building roads in rural Barbados, we have to build roads beyond the houses, to create the atmosphere where people can build more houses. We have been adopting the urban policy to rural and I am saying that we have to change that and we have to

understand that if we take the roads and we develop other land and allow other land, that the pressure on housing will not occur. Because what you are doing in rural Barbados, you are opening up land for more house lots, for more economic activity and it will help the Minister of Finance and the way he wants to build Barbados.

So what I am saying, Mr. Speaker, that we will build Barbados, sir, but we will not build Barbados the way the Barbados Labour Party would today. We will build Barbados the way it has to be done. And we will look at the multiplier effect. We will not build a road for a road. We will build a road for development. And one of the things I will say, sir, that we speak a lot about the impact of our tourism industry and how it needs new areas to be developed and so on. That is the role for rural and the administrative environment. When one looks at the National Park of Barbados and one sees that the National Park runs from Archers Bay in St. Lucy all up through the tenantry areas - tenantry, sorry - so, Mr. Speaker, sir, what we are saying, sir, rural must have the tourism industry below these areas along with the Ministry of Environment and so on. Because you cannot have places like St. Barbe, places like Archers Bay, River Bay, you name it, Little Bay, even North Point Hotel, which has a very great history to the Americans.

And you know, Mr. Speaker, since 1994, I was telling the Barbados Labour Party that we need to find something to connect the American tourists to Barbados. And they could not understand this point because when the naval base was here, there was a natural relationship between the American tourists and Barbados because of the naval base. But now that the naval base was chased out with the Barbados Labour Party and they chased away the American tourists, we now as a party have to find another way to make a connection to bring back the American tourists. And I believe, sir, that a place like North Point Hotel which had a natural relationship between the naval base and North Point, that we can now go there and bring back that swimming pool which was the first of its kind, below some villas and so on in there, and also drive a baseball field because people have to understand that baseball is the main sport of the Americans and if baseball is the main sport and we have the climatic conditions and we have the history, we have to drive these things and to create the enabling effect to help the tourism industry.

And I made a point, sir, on the rural development, sir, there is a lot of this land enrolled by Barbados. And there are a lot of young men who are prepared to work those lands. But they are not prepared to work those lands for other persons. And I am saying, sir, that on the rural we have to take control, enlisting those lands from persons and giving them to the young men on the blocks who are prepared to work for themselves. Because we have to understand, sir, that when we had the sugar industry and we

had small farmers, we had a good industry. And it is very simple. In everything you do, you must have a base. In Barbados, we are not operating with the base. We are operating with the walls and the roof. And I am saying, sir, that rural has to drive that base for all the other industries, including agriculture, including manufacturing, and including tourism, by using community tourism to drive the tourism industry in Barbados, and be the incubator for development in Barbados.

So, Mr. Speaker, fear not. We understand exactly what we have to do. And with the help of the Minister of Finance who understands how to drive development, I am saying, sir, that the Ministry of Housing, Lands and Rural Development must not be seen as the way it was seen under the previous Labour Party. It must be seen as a ministry that is very proactive and it must be given the proactive people to follow the policy and put them in place and ensure they implement it. As I said before, sir, the day that the barrel file gets on my desk, I will sign off on it because what I have seen, sir, I believe that the Cabinet above us is ready to sign off on it and we will drive those developments.

I also want to say, sir, I saw in the proposal, in these budgetary proposals also, \$125 million for roads. I want to thank the Minister of Finance for finally seeing what the Barbados Labour Party could not see because they had the package which we are yet to find for \$35 million in roads for North Barbados which never saw the light of the day. But now this package will see the light of the day, sir. And everyone considered, sir, that the best part - sir, you see the mistake we are making in tourism, sir. We allow people to take up tours and treat them like prisoners and that is wrong, sir. We allow them to put them into our buses and take them to where they feel the people want to go, sir. What we need to do, sir - and when I was also in my service environment I have asked at that time, sir - the Kensington Oval. Because do not fool yourself, the Kensington Oval is the best focal point to develop a tour. And I believe, sir, that the Kensington Oval and the NCC shall have a relationship where they develop a tour package for themselves. They will consider, sir, what you have at the Kensington Oval and what everyone considers the number of parks and so on that the NCC has, that they can develop a package but do not create the same regimented approach as has been done by the private sector of Barbados.

In terms of taking people around Barbados, we have to understand people come to Barbados to see Barbados. And any tourism package that we have, it must be a package that allows the people to see the total Barbados, sir.

And I am saying, sir, once we have a package that is not for too few, but a package that goes back to the sixties

and seventies, so when we have the minibuses and people were able to rumble around Barbados, sir, we will then see a better tourist experience in Barbados and a better appreciation of Barbados. What we are doing, sir, we are limiting too few to stop the development of Barbados. And I am saying, sir, I also heard, sir - and then my last comment on this, sir - that how we have not done anything in terms of sailing and so on, sir. That is utter foolishness, sir. It is no doubt, sir, that within the last five years under the Democratic Labour Party and the same senator that they talk about, sir, we have seen, sir, a lot of development as it relates to yachting and if you do not believe, sir, just go and look at Careenage and see how it has built up, sir.

I am saying, sir, we will build by stone, we will build Royal Barbados and in the end we will build the total of Barbados, but one day I will tell you, sir, that the north will be built out and St. Lucy will build up too. Because that is the push, that is the push that offers the most opportunity to Barbados. With the development of St. Lucy, Barbados will become a developed country because it has the potential and the capacity to accept everything to make Barbados develop.

And one last point, sir, I will make, sir, it is regrettable, sir, that the Barbados Labour Party did not see how we could have used St. Joseph Hospital to help develop Speightstown. But I can tell you, sir, that this Democratic Labour Party government saw the vision. It was destroyed by them. But we understand that we cannot develop Speightstown by focusing on Speightstown. What we will do, we will focus around Speightstown and embrace Speightstown and expand Speightstown. If you focus on Speightstown and you do not do the development of Rose Street, embracing Rose Street, you will be wasting the money. And that is the difference with the Democratic Labour Party. We are not selfish. We are passionate, sir, and we understand what we have to do in this country to make this country a developed country.

So there will be those few words, sir. I want to thank my constituents. I want to thank my comrades, sir. And I want to make the point, sir, that this budget is a budget to tell people, sir, that the time for sleeping has passed, that everybody has to put their hands on deck. Everybody, sir, as it goes back to the biblical days where Jesus Christ asked everybody that he met to make a contribution. The Democratic Labour Party is only borrowing from the Bible and asking people to make a contribution to their development. And I thank you, Mr. Speaker.

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

Mr. E. G. HINKSON: Thank you, Mr. Speaker. I first have to thank the Lord Almighty for allowing me this opportunity to speak here in this August Parliament. I have

to, of course, thank the outstanding people of St. James North who voted for me, and thus allowed me the opportunity to have my maiden budget speech.

Mr. Speaker, Tuesday, August 13, 2013 is the day that will live on in infamy in the minds of Barbadian people. It is the day when the Minister of Finance of this country, after almost 47 years of national sovereignty, has dismantled a major pillar of the socio-economic development of our country over the last 50 years. The Right Excellent E.W. Barrow must be in complete anguish, Mr. Speaker, in his watery grave. The Democratic Labour Party has proposed setting Barbados back into colonial times, where students will now have to pay their tuition fees, which represent roughly 16 per cent of the total cost of their education.

The Democratic Labour Party, Mr. Speaker, has no mandate to do this. It was not announced in their manifesto, Mr. Speaker. It was not announced on any public platforms prior to the general election. They have no mandate. And this, sir, is a breach of the social contract which a government has with its people.

The Barbados Labour Party, Mr. Speaker, rejected in 1995 the Survey Report which recommended that students pay 50 per cent of their tuition fees. Barbados Labour Party policy then, Mr. Speaker, as it is now, is that the Government of Barbados should continue to pay the full tuition fees as well as the full economic costs of Barbadian students at the University of the West Indies. The Barbados Labour Party, sir, is committed to the state paying for first degrees only, unless one obtains an upper second class honours or first class honours degree, or unless the second first degree, sir, is in an area of approved national development.

The Democratic Labour Party came into office in January 2008 with a clean slate of financial obligations by a Barbadian government to the University of the West Indies. The Barbados Labour Party had earlier paid \$250 million, Mr. Speaker, in surplus monies to the University of the West Indies. \$250 million surplus. That is what the DLP found. In addition to 6.7 per cent unemployment, the lowest since the abolition of slavery, and \$2.7 billion in foreign reserves that they have now frittered away to \$1 billion projected at the end of this year.

Mr. SPEAKER: Yes, Honourable Member.

Hon. D. St.E. KELLMAN: The Honourable Member is misleading the House, sir. When the Honourable Member said, sir, that the Barbados Labour Party paid \$250 million in surplus funding - in this House, sir, I have been here 19 years, sir, and I have studied the University estimates. I have never seen, sir, where that has occurred, because everything you get is voted monthly in the budget,

sir, and in the estimates, and then later on you come for a supplementary for the remaining amount in January or February. So it cannot be surplus funds. What the Honourable Member is saying, sir, is that this House has been misled by the Barbados Labour Party claiming that they were giving the University funds for a year, when in fact they had been given more than required.

Mr. SPEAKER: I am checking the rule. Honourable Member, please continue.

Mr. E. G. HINKSON: Thank you, Mr. Speaker. However, within five and a half years of being in office, the Democratic Labour Party government finds itself owing UWI Cave Hill over \$160 million and the University of the West Indies campuses on the whole \$200 million, sir.

The government has alternatives, sir, rather than have students pay their full tuition fees. They have alternatives within the context of UWI operations. The University of the West Indies, sir, could first outsource some of its activities. It could outsource its security arrangements. It could outsource the bookshop. It could outsource the halls of residence. It could outsource, Mr. Speaker, the upkeep of grounds and building maintenance, all at a cheaper cost. Why doesn't the government sit down with the university administration and discuss these issues?

The University College of Barbados, Mr. Speaker, which the Barbados Labour Party spent a lot of money looking to implement, would have combined the administrations of the UWI, the Barbados Community College, Samuel Jackman Prescod Polytechnic, and Erskine Teachers Training College. This would have brought greater efficiencies, sir, to tertiary education in Barbados. It would have brought about cheaper costs in terms of this education. But no, the Democratic Labour Party, because it was BLP policy, said we are not dealing with that. We are not dealing with any University College of Barbados.

Some of the courses offered at the University of the West Indies Cave Hill right now, sir, could very easily be done at BCC at a much lower economic and tuition cost. Natural Sciences, for example, sir, could be done at BCC at a cheaper cost. Use of English and Rhetoric - I have no right being taught at the University of the West Indies at high cost. Why cannot this be done at BCC? Indeed, our secondary and primary schools should accept the responsibility for the prevailing weakness in many of our students' language usage. It could be done at secondary schools, not at university. Government should not be subsidising these remedial or preliminary courses as part of UWI's regular programmes, sir.

All of these alternatives are means that the government could have looked at to save this \$42 million.

The UWI could hire out its residential and other facilities for academic conferences on the open market.

I agree, Mr. Speaker, with the policy of the Democratic Labour Party in its first term that students should complete their degree in four years - full-time students - and I think it was five years for part-time students - after that you pay. But do not tell me that upfront, from the beginning, you are going to charge students their tuition fees.

I agree, Mr. Speaker, that Barbadian students who benefit from what was, until yesterday, free university education should contribute to the investment made in them by the people of Barbados. So why not let us have some kind of National Service whereby these graduates are bonded to perform voluntary work - teaching young people skills or teaching them academics, or getting into service organisations like Lions and Rotary, getting into community groups, organising community groups within their districts and building their communities? Why do we not have that? Let them make a return on their investment that way, but do not charge them tuition fees, Mr. Speaker.

The proposal announced yesterday means that many young people in St. James North, whose dream it was to enter the University of the West Indies in a couple of years' time, will either now not be able to do so, or will only be able to do so at tremendous sacrifice to themselves and to their families. The Barbados Labour Party's goal of one graduate per household by 2025 has now gone through the window.

Barbados, Mr. Speaker, did not become the leading developing country in the world and the leading small island state with a high human development index in the late 1990s by happenstance. It did not happen just so. It was achieved to a large extent by the sound education policies pursued by successive political administrations which invested heavily in knowledge-based development of our people.

The reality, Mr. Speaker, because of the Minister of Finance's backward proposal yesterday, is that Barbadian students will now have to look for tuition fees for their three-year programme, totalling between \$17 000 and \$200 000 depending on what programme they pursue. In addition to that, the Barbadian student, Mr. Speaker, now has to find an additional approximate sum of \$4 000 annually - because we have to build that into the picture as well - \$4 000 roughly annually to buy books and other incidentals, to travel to and from the university from home, to pay the \$800 amenity fee, and to pay guild fees. Because, Mr. Speaker, the amenity fee is now \$800, sent up from \$500 during the course of the Democratic Labour Party administration.

And let me correct the last speaker, the Honourable Member for St. Lucy, on the issue of the amenity fees. Mr. Speaker, the amenity fee does not go towards any tuition or economic costs. The amenity fee, in fact, goes directly to the student guild, to be used by the students as they see fit. It does not come to the university administration to pay any economic costs or tuition fee. So the amenity fee has been used to build up the social profile of the students, the playing fields, et cetera. That is what happens.

Mr. Speaker, I have been in touch with many young people from this morning - many of my constituents - because I speak to many constituents during the course of a morning. Speaking to many young people through social media during today, they are totally distressed by this policy of the Democratic Labour Party. They cannot believe it. They woke up in the morning, sir, thinking that it was a dream, and then after five minutes they realised that it is reality.

One man told me, sir, that his son told him last night: "Daddy, you know, I was hoping to do medicine in a couple of years' time, but I cannot do that now, sir. I know, Daddy, that it will place you under tremendous financial pressure to pay tuition fees of \$200 000 plus \$250 000 to do medicine, and it looks like I cannot be a doctor anymore. I will look to be something else." That is the effect of the Democratic Labour Party's policy.

And the problem, sir - the issue, sir - is that when I look across this aisle, I see a group of people, all with the possible exception of two, who may very well not be in here today but for free tertiary education. They may very well not be in here today except for two of them. But now today they are sitting in here because of free tertiary education, and most of them are millionaires, sir, because of that. They have now, having reached the pinnacle of the mountain top, sir, turned around and entered a knife through the figurative hearts and souls of the majority of the teenage working class Barbadians who aspire, just like them, to the top. It is a severe breach of the trust between a government and its people.

The Prime Minister himself, who has said in this House, Mr. Speaker, that he and I are contemporaries in law - that is true, we qualified at the same time - told me 30 years ago, exactly 30 years ago in Trinidad, that he wished to be Prime Minister of this country. Unfortunately, many persons in St. James North cannot now dream such ambitions because of August 13, 2013. This policy by the Democratic Labour Party government will only frustrate many well-meaning young people in this country. It will cause further social dislocation in this country, sir. It will cause, most likely - but I hope not - an increase in crime.

In England, England introduced a new tuition fee regime a few years ago, and it has resulted in a 40 per cent

decline in part-time students. Many students are unable to access loans and are put off by the high upfront cost of a degree.

The Minister announced, Mr. Speaker, that the Ministry of Education will outline adjustments to the student revolving loan fund to ensure that adequate access to loans with attractive repayment terms is available. Mr. Speaker, that is mere smoke and mirrors. Under the existing student revolving loan fund arrangements, students do not start to pay loan repayments until one year after the course or degree is completed. You do your course, you have a one-year grace period.

The proposal yesterday - and I could be corrected if I am wrong, sir, because the proposals yesterday, sir, were up in the air and nebulous and uncertain and needed clarification - so I could be wrong, sir, but the impression I got from what the Minister said yesterday is that the proposal is to make students pay tuition fees upfront at the start of each semester or school term. Upfront. So the student revolving loan fund, the existing arrangement, is different from that. So what will happen if students cannot provide adequate collateral or adequate guarantees for repayment of this proposed loan? What is going to happen? It will mean that otherwise deserving students will not be able to access tertiary education at the University of the West Indies anymore.

Under the Errol Barrow and Tom Adams administrations, the state used to vote close to 25 per cent of its budget annually towards education of the people of Barbados. Previous administrations before this one saw the great need for development of the human resources of Barbados, and that is what made us stand out in the Caribbean. This is what made us attractive as a place for tourists to come, for international business companies and financial service industries to come here. This is what made us respected and known in the wider world.

This Democratic Labour Party administration has been providing less and less for education each year. Two years ago it was \$529 million. Last fiscal year it went down to \$517 million, I think. This year they voted roughly \$500 million in education, dropping from the 25 per cent of the annual budget allocation to education to 17 per cent now. And with these cuts in provision for UWI, the percentage of what is spent by the state on education will now go down even further.

The Minister, Mr. Speaker, spoke about a proposed means testing mechanism to ensure that no deserving person is denied access to university education because of means. I will say, sir, that I have no confidence in that proposed means testing mechanism - that it will be transparent, that it will be accountable, or that it will be fair. After all, sir, from our reports, we have presiding over

the Ministry of Education a minister who has recently intervened in the process of interviewing some persons for national development scholarships. So I have no confidence in this proposed means testing mechanism, sir. That is the report.

Mr. SPEAKER: Yes, sir.

Hon. R. D. JONES: The Honourable Member is misleading the House. I am sure any of the members who work in the Ministry of Education would tell him and I speak for those on the other side, there is never any intervention by the Minister in that process since there is a committee set up across ministries including the Ministry of Economic Affairs, the University of the West Indies, the Ministry, all that comes to the Minister are the recommendations of the committee. There is no intervention. And since I'm on the floor, Mr. Speaker, for a point of clarification, because I think the honourable member is well intentioned, but he's making serious errors in his analysis of what is taking place at the University of the West Indies. There is no medical student who will be called upon to pay \$250 000. \$50 000 for the course at the MBBS at the University of the West Indies. But I will speak to so many of the other errors that the honourable member is making. At the same time, the honourable member should indicate to the House in relation to moving certain parts of the university to be serviced by outside providers, that he has an interest in the bookstore of the University of the West Indies, as well as the Barbados Community College.

Mr. SPEAKER: All right. I don't remember that. That was - I'm not interested in that. Mr. Speaker, please.

Mr. E. G. HINKSON: All of our members. Please, all of our members, please. All of -

Mr. SPEAKER: - our member. Sorry, sir. Thank you. Good. Thanks. Yes, the comment with respect to intervening in the process - well, no proof has been put. And it really is, in my view, unparliamentary to suggest that kind of thing, because it suggests something underhand by the Minister. So I want you to withdraw it and have it struck from the record.

Mr. E. G. HINKSON: Sir, I said that it was the reported test. I withdraw.

Mr. SPEAKER: Accepted. Let's move on.

Mr. E. G. HINKSON: Let's move on. No problem.

Mr. SPEAKER: You have 60 minutes in which to conclude.

Mr. E. G. HINKSON: Sir, we do not know about the \$15 million transfer - that \$15 million in transfers will now no longer be sent to the Transport Board. And will that mean that there will no longer be free bus rides for school children, sir? How can this policy continue to be sustained? How are we going to train our children and our young people to be more entrepreneurial, to be more creative in their thinking, to be more problem-solving and innovative when we so harshly drive a knife in the educational aspirations of young, poor Barbadians?

I would have thought that the Minister would have used the opportunity yesterday - since government has finally ratified the United Nations Convention on the Rights of Persons with Disabilities - to establish a fund to allow all children with disabilities free primary and secondary education, like the rest of society. The Education Minister himself admitted before the National Advisory Commission for Education that his government was not doing enough for children with special needs and that the budget for their provisions should be increased.

It is not true, Mr. Speaker, as the Honourable Leader of the Opposition said, for the Minister of Finance to say that since 2006 the total contribution by government to the University of the West Indies has exceeded the combined contribution of all nursery, primary and secondary, BCC and Samuel Jackman Prescod Polytechnic. We submit, sir, that the total monies for those institutions amount to \$325 million annually, and this government's contribution to UWI over the last five years ought to have been around \$120 million. My Lord, Psalm 101:7 says, he that worketh deceit shall not dwell within my house; he that telleth lies shall not tarry in my sight.

You know, Mr. Speaker, what can the Barbadian public expect of a Minister of Finance who has informed Barbadians during the course of 2011 and 2012 that CLICO policy holders will get back their money soon, that Four Seasons will recommence shortly, and that Al Barrack's debt will be cleared in a short while? What can Barbadians expect of a Minister of Finance who in March this year - just five months ago - announced a \$600 million stimulus package to start in a few weeks' time in the form of capital works, which a few months before had been said by his government to be impractical? No part of the stimulus package said to create a thousand jobs has even broken ground - not the road works, not the high-rise housing complex in Deacons in Bakhuis Road, not the Trevor's Way through terminal, not the Pierhead Marina.

The Minister has finally admitted that the government's macroeconomic programme has gone off track and that its medium-term fiscal strategy has failed. The person who has failed, Mr. Speaker - the person who has failed the Barbadian public by his irresponsible oversight of the economy - has been the Member for St.

Michael North West. He should be relieved of his portfolio. He does not understand that Barbadians struggle today to pay rent, to pay a mortgage, to pay utility bills, to feed their children in an environment where over 16 000 people have lost their jobs in the private sector. And do not even talk about getting sick and going to the QEH, because it has been announced that you are paying more and already there has been a hassle at the QEH.

But I could well understand the dilemma of the Prime Minister. The Prime Minister himself apparently is not committed to undertaking any serious ministerial changes. He cannot put the de facto Deputy Prime Minister -

- the de facto Deputy Prime Minister, the Honourable Minister of Tourism, as Minister of Finance. He has presided over a 5.5 per cent decline in tourist arrivals last year, a 10.6 per cent decline in the U.S. market in the last fiscal year, largely as a result of reduced aircraft capacity in major source markets and the administration allowing Almond resort to close. All this while neighbouring St. Lucia has experienced a 5 per cent increase in their arrivals, largely driven by growth in the U.S. market and, according to that country's tourism director, largely as a result of strategy implementation and good public relations.

Mr. Speaker, the former de facto Deputy Prime Minister, the Honourable Minister of Education - of cracking skulls and shooting heads fame - has now, together with my former political opponent as Parliamentary Secretary in the other place, presided over the dismantling of the Barbados legacy. The Honourable Minister of Housing of Kelman Nominees fame - indeed, sir, wrapping up, sir - indeed, if the Prime Minister would reflect, he would realise that he has presided over the most incompetent Cabinet ever in the history of Barbados self-government, and he would do the honourable act and return to the people of Barbados for a new mandate to govern, rather than to continue to blame a non-existent international recession which now only prevails in some European countries. I am obliged.

Mr. SPEAKER: Thank you. Yes, the Honourable Member for Christ Church West Central.

Hon. S. A. LASHLEY: Thank you. Thank you very much, Mr. Speaker. I would like to join this debate, Mr. Speaker, in full support of the financial statements and budgetary proposals which were brought to this House yesterday by our Minister of Finance. And to say at the same time that certainly the debate to date coming from the members of the opposition really has put me in a rather invidious position because it is not a good day in the life of our Parliament when serious measures are before the House and I am left totally in the dark as to whether or not the

members on the other side have really understood their mission in the House, because all of the contributions to date have been largely vague and misdirected, totally disconnected, in my view, from anything which we would have heard coming from the Honourable Member for St. Michael South West, not North West. Yeah, it used to be South West. And it really is painfully ridiculous, Mr. Speaker.

Particularly listening to the Honourable Member for the Opposition, the Leader of the Opposition, trying to wind her way through a maze of misdirected statements, clearly not carefully analysing the economy of Barbados and not coming to this House fully prepared to really debate what is really a serious financial statements and budgetary proposals. At the end of any presentation, Mr. Speaker, in my view, one would perhaps have something to hold on to, some particular theme, some particular message, some thread of commonality that signals that the Barbados Labour Party has some alternative strategy for managing the economic affairs of the country. And I must confess, Mr. Speaker, that after hearing the contributions of members of the other side so far, that I can find no such focus.

When, for example, Mr. Speaker, you could get so ridiculous as to say that Barbados has been largely unaffected by the global economic recession, then you begin to see how patently dismal the affairs of the Barbados Labour Party are. In fact, I believe we were told that we never had a recession in Barbados. Yet all of the international agencies, the International Monetary Fund, all of the rating agencies, in fact all of the commentators in Barbados recognise that this country has been affected by one of the worst recessions ever to afflict the international economy. And therefore you begin to see how trivial the manner in which the members of the Barbados Labour Party opposition have actually entered this debate at this juncture in our political history.

We have heard, basically, Mr. Speaker, many observations about the state of the Barbados economy, many observations about what should or should not happen. Most of them have been largely speculative. And what disappoints me, Mr. Speaker, is that we have had calls in this House for serious debate on the state of the Barbados economy. We have had calls from the opposition for the government to set up a joint commission of Parliament to engage Barbados on serious discourse on the Barbados economy. And each time we have an opportunity in this House to debate the economy, the Barbados party that has been calling for this commission, this national consensus and national debate, certainly offers nothing and puts nothing on the table.

One initiative. And I have heard the Honourable Leader of the Opposition in this House already. I have

heard the Honourable Leader of the Opposition speaking on economic matters in this chamber before. And I must say that this response to these measures has by and large been the worst response that I have heard in this House. They have offered nothing and I believe that the example set by the Leader of the Opposition has actually been taken up by those members who have spoken, particularly the younger members. And I would have thought, Mr. Speaker, that from the younger members of the opposition we would have heard something that connects with what is happening in Barbados today.

When you heard, for example, the other member, I believe, for St. Michael South East, making some observations about tourism and culture that really are so far-fetched. When you could say, Mr. Speaker, that in relation to the Crop Over Festival of 2013, that there were only a few visitors that came to Barbados in relation to Crop Over 2013, you begin to understand that there is certainly a disconnect, because I can say, as independent observers, Mr. Speaker, have said and have gone on record, that we have seen in Barbados the biggest and the most successful Crop Over Festival ever in the history of Barbados. And, Mr. Speaker, this festival, the Crop Over Festival of 2013, that has been so successful and indeed has generated so much economic activity in Barbados, is today one of the positive points of discussion in this country. It is one of the areas that we have heard the leaders of business, those entrepreneurs, those craftsmen, those entertainers in Barbados, those calypsonians, those members of the business class in the city and outside of the city commenting very favourably about the increased economic activity that we have seen in Barbados as a result of the Crop Over Festival.

Mr. Speaker, I want to say very candidly that what is happening in relation to the Barbados economy today ought to be no mystery. I have heard the party clamouring about the measure which seeks to have students at the University of the West Indies pay their tuition costs. And if you listen to them carefully, you would believe that the government has pulled the carpet from underneath Barbadians and that from tomorrow or from next year, whenever that measure takes effect, that Barbadian young people will have to pay their full cost of attending university. You would believe that there is doom and gloom. And I believe, Mr. Speaker, that when you listen to the Barbados Labour Party spokespersons, I often wonder whether they mean Barbados well. Because, Mr. Speaker, everything that I have heard from them has been a dose of negativity. Nothing in Barbados, based on what I have heard from the Barbados Labour Party spokespersons today, is working.

We have had, Mr. Speaker, since 2008, we have had in Barbados to endure the worst recession ever to impact on the international community. Barbados, no exception. Mr. Speaker, it is a recession that I must admit that we were not

prepared for. In 2008, Barbados was not prepared for an international recession. And the reality, Mr. Speaker, is that if, in fact, we were to be prepared for a recession in 2008, it meant that the 14 years in which the Barbados Labour Party were in office, that they would have actually done something in relation to re-engineering and refashioning and retooling the Barbados economy. But, Mr. Speaker, even in the face of that recession, this government was able to maintain a stable economy. We were able, Mr. Speaker, to maintain comfortable foreign exchange resources, secure jobs and maintain a comfortable social safety net. And it is my view, Mr. Speaker, that had the recession not prolonged to the length that it has, I believe Barbados would have experienced sustained economic growth.

It is a reality, Mr. Speaker, that unemployment in Barbados declined significantly over the 1995 to 2010 period. And that level of unemployment only spiked, Mr. Speaker, when the recession hit Barbados. And therefore we have a record which says and which speaks to the fact that we have been managing this economy extremely well. And if we have to be frank, Mr. Speaker, in this debate, historically in Barbados, we have had a deficit-managed economy. We have had many, many years of deficits between 2002 and 2012. Our current account deficits, Mr. Speaker, have by and large been on average 8.1 per cent of GDP. So there is no mystery that we have had over the years to manage our economy based on deficit financing.

What we have not done, Mr. Speaker, collectively, and I would dare say that over the 14 years of BLP rule, when we were doing so well, we failed to restructure the Barbados economy. We failed to restructure the Barbados economy. And we are now paying the price, Mr. Speaker, for not doing that. And I thought that one of the speakers on the other side, if we are being frank as true representatives of the people, would stand up and say, you know what? We made some errors. We did not restructure the economy of Barbados when we had the time and the money to do it. And we are faced, Mr. Speaker, with a situation where we have to make some decisions.

Now, the public - Barbadians, because I do not know which public the Barbados Labour Party is listening to - the public, Barbadians, which includes my constituents, which includes those students from the University of the West Indies whom we are asking now to work with us to help us to work through some of these economic challenges, they are saying that they understand the need for these measures. We, Mr. Speaker, are not coming in here bloating our chests and saying that we are happy to increase taxation. What we are saying, Mr. Speaker, is that there is a time - there is a time that we have now to consolidate and to bring some order, to bring some order to our finances.

I want to say, Mr. Speaker, that part of the challenges that we are faced with - and I believe the Minister of Finance referred to it - our debt financing remains one of our challenges. But I must say that if we are to analyse our economy in a truthful way, the Barbados Labour Party must come to the country and say we were wrong when we borrowed so much money during our time in government and created some serious challenges for us today. In fact, Mr. Speaker, it was noted in 2002 that in a period of five to six years, the outgoing government borrowed almost \$1 billion. \$1 billion. And we cannot find today where that money was applied to. So \$1 billion was borrowed in the five to six year period prior to 2002. And that is what is also impacting on our high debt service ratio today. Those are the stark realities, Mr. Speaker.

In two years, Mr. Speaker, in the two-year period prior to 2002, the Barbados Labour Party borrowed a mammoth \$650 million. \$650 million in the two-year period prior to 2002. But of course in that five to six year period they had accumulated \$1 billion. The reality is that all of that has come back, Mr. Speaker, to haunt this economy. And even in the midst of that, Mr. Speaker, I can say that there are serious growth initiatives outlined in this budget which are designed to put Barbados back on a growth path.

And I can say without any shadow of doubt, because I did hear some challenge from the members on the other side in relation to what is happening - they are asking some questions about some of the initiatives. Now, I can say, Mr. Speaker, and I want to address some of those now in relation to where we are taking Barbados. The Minister of Finance did refer to a number of new events and put in some resources behind the work of the National Culture Foundation, working along with the BTA and of course the Ministry of Culture. But we know, Mr. Speaker, look at any of the UNCTAD reports which look to the creative economy - that the creative economy remains one of the most robust pillars of economic development. We have identified that not only in our medium-term economic strategy, but we have recognised that the creative sector in Barbados must be and will be a key pillar upon which we will grow the Barbados economy.

We have seen the potential in Crop Over, Mr. Speaker, and two years ago we expanded the events in Crop Over. We created a rebranded Crop Over Festival which saw several festivals being incorporated within the Crop Over Festival. And the strategy of growing Crop Over was not done overnight and we compartmentalised Crop Over into a number of separate festivals - Calypso, Pan, Masquerade, Heritage and the Arts. We saw tremendous growth, Mr. Speaker, over the past two years in all events, both at the level of attendance, both at the level of sponsorship, and both at the level of the ability of these events to bring visitors to Barbados in their numbers. Many

of these events, Mr. Speaker, were sold out. We had increased attendance at practically all of the events.

And the very historic development of attaining the world heritage status of historic Bridgetown and its garrison remains one of the underpinning achievements upon which heritage tourism will be grown in Barbados. And we have said that, Mr. Speaker, because we have seen significant interest in heritage since the inscription. And what we have done within Crop Over is that we have marketed some of the key events such as the heritage walks and elements of the Crop Over Festival itself have been marketed within the context of heritage.

So we are going to expand Crop Over, Mr. Speaker, we are going to add to the events and certainly in the weeks to come as we sit with our stakeholders, we will unfold the events for 2014 in which Crop Over will be even bigger and better than we had in 2013. And of course that falls within the context, Mr. Speaker, of our strategy of ensuring that Crop Over can become an even higher generator of economic activity in Barbados and can be a spur for the movement of foreign exchange into Barbados. We have seen it and we have tangible evidence that we can even do more with that. These are some of the positive aspects, Mr. Speaker, that the Barbados Labour Party failed to connect with and came in here on an agenda of gloom and doom.

I want to go further. The season of emancipation, Mr. Speaker, has proven to be a very successful tool upon which we could expand Crop Over. We have seen significant interest in emancipation. We have always said, Mr. Speaker -

Speaker, that CROP OVER occurs within the season of emancipation, and we are seeing a lot of interest from the Diaspora to come to Barbados in search of their roots and to reconnect with the issues that impact on emancipation. And what we'll do going forward, Mr. Speaker, is that we'll be marketing to the Diaspora in North America and the UK in a much more aggressive way to encourage visitors to celebrate this critically important day in our history and to identify with the Emancipation Celebrations in Barbados.

NIFCA as well, Mr. Speaker, has grown over the years. The National Independence Festival of Creative Arts. It remains, Mr. Speaker, a flagship bearer upon which creativity in Barbados continues to be unleashed. It is a positive development, Mr. Speaker, because our young people in particular are displaying their creative talents in NIFCA. We have seen, Mr. Speaker, by the introduction of a special prize for original local compositions, the Jackie Opal Award. We have seen some phenomenal entries and in fact it is the plan by the National Culture Foundation to record these original compositions and to ensure that they can be marketed both in Barbados and beyond. This

festival, Mr. Speaker, we are going to aggressively promote in a much more aggressive way and the best acts coming out of the festival will be made available both locally and overseas.

And I want to say, Mr. Speaker, that there is a good opportunity for Barbados, even in the aftermath of these festivals, both Crop Over and NIFCA, to offer segments of the festival in our key markets. And that is something that we are going to be looking at, where elements of Crop Over, elements of NIFCA, can be offered in our key markets as drivers of and creating interest in Barbados as a destination for our visitors.

Within the budget, the project to grow new festivals has been announced and I did hear a query about the Barbados Arts and Music Festival. Yes, we are going to pursue the development of a Barbados Arts and Music Festival along with the private sector. In fact, last year I convened, I believe, about three very critically important meetings with the private sector to look at the concept of a Barbados Arts and Music Festival. And they must say that the interest is extremely high and we have tentatively placed that within the period of September, October, more October than September. But, Mr. Speaker, when we talk of a Barbados Arts and Music Festival, we are talking about creating an avenue for even further economic activity. And the festival is geared to expose all the genres of music and creativity in Barbados, both including jazz, steel pan, soca, calypso, folk classical. And we expect that this will be marketed as an international festival and that we will bring visitors to Barbados. They will be attracted to this festival and they'll come to Barbados and they will participate as they do in major festivals across the world. Every major city in the world has an arts festival and we believe that this will be a very key event for us to pursue, Mr. Speaker.

I spoke of the heritage and we have said that it has been largely successful. Heritage Tours has been extremely successful, Mr. Speaker, in terms of creating that awareness in Barbados. We will be exploiting other cultural initiatives and we have started already with cultural exchanges and we have seen the Henan performing cultural arts group from China in Barbados - that show was sold out - and we will be pursuing further cultural exchanges where very shortly Barbadian groups will be visiting China to also expose that particular market to our culture.

And Mr. Speaker, I am grateful for the five minutes, but I want to go on to even mention another initiative which we are exploring. And it all falls in line, Mr. Speaker, with our agenda of growing events, packaging events. We saw it very successfully being done in relation to Crop Over and the CPL cricket. We're going to do more of that. We're going to ensure that sports can be packaged

with tourism and culture to ensure that we can actually grow that value-added activity in Barbados.

There are two other initiatives that I would like to speak to, and one is the International Indian Film Awards, the IIFA. I would have been asked to join, to lead a private sector delegation to Macau, China, just a few weeks ago to observe what is perhaps one of the leading film festivals in the world, attracting thousands of actors and followers. This particular award, Mr. Speaker, we are exploring with the private sector. And it has tremendous, tremendous possibilities for Barbados if we are able to bring it here in 2015. It has a mammoth following. It falls in line with our focus in terms of creating major events upon which we can grow our visitor arrivals and also grow our cultural offerings as well.

We also have, Mr. Speaker, an exchange which is being planned between the Caribbean Broadcasting Corporation and CCTV of the People's Republic of China. In fact, a team will be coming to Barbados in September to film a documentary entitled Glamorous Barbados. The documentary will highlight our heritage, including historic Bridgetown and its garrison. It will be aired on CCTV, which has a viewing audience of millions across the world, and of course, the number of agencies in Barbados who are working towards making this a reality. So that particular initiative, Mr. Speaker, will do Barbados extremely well in terms of exposure.

In exchange, a team from CBC will also be visiting China sometime later this year or 2014 to record a documentary on China. And this fits very well in line with our quest to bring Chinese visitors to Barbados and to create that further deepening relationship in terms of the Chinese market.

In relation to film, Mr. Speaker, I will get a chance to expand on this when we debate the cultural industries bill. But the film industry globally is perhaps one of the most lucrative businesses that we have. We have seen the potential for film development and we have taken concrete decisions both within the culture industries development bill and even ahead of that. The ministry has already put in place a film commission desk headed by a film commissioner, as a first step towards establishing a Film Commission in Barbados. We recognise that this sector has tremendous growth potential for Barbados. In fact, our intention, both in relation to the IIFA Awards as well as other initiatives, is to make sure that we can attract major film and documentary production in Barbados. And we already have in Barbados a number of highly skilled entrepreneurs and producers who themselves are doing some tremendous work in the area of film. And we are convinced that this particular area will not only develop thousands of jobs in Barbados, but will bring some much needed foreign exchange to Barbados.

In winding up, Mr. Speaker, one of the initiatives we are pursuing is progressively increasing the calendar in Barbados in relation to sports and culture. There is no reason, Mr. Speaker - and I have already spoken with the National Sports Council to commence or to put together a strategy - where on a monthly basis there is no reason why we cannot have sporting events being held in Barbados of the kind of calibre that can attract both regional and international athletes and by extension attract visitors to Barbados to these events. And I have asked that these events be packaged with cultural events, so that we, Mr. Speaker, intend to move aggressively forward in having a very aggressive calendar for sports and cultural activities in Barbados. What it means, Mr. Speaker, is that our sports enthusiasts, our sportsmen, our cultural practitioners can once again find work in Barbados on a regular basis. This is what will grow our economy.

And there's much more, Mr. Speaker, that I could mention in terms of what the Ministry of Culture, Sports and Youth are doing. I have given you the tangos. I have given a brief synopsis of what we are doing to grow the economy and to hopefully enlighten future speakers on the other side to stand up and to reflect on some of the positive things happening in Barbados. And I fear that this preoccupation with gloom and doom will not either do you well or do your constituents well.

Mr. Speaker, I am convinced that we have started on the road of restructuring this Barbados economy. We have come, Mr. Speaker, to the people and we have said to them the true state of the economy and the measures that we are taking to correct the economy. We have asked Barbados to hold our hands in this and to stay the course with this Democratic Labour Party government as we work with our partners in building a strong economy based on sustainability and based on good governance. Mr. Speaker, I am obliged.

SUSPENSION

Mr. SPEAKER: Yes, Honourable Members.

Hon. J. D. E. BOYCE: I beg to move the suspension of this sitting until 9:30 tomorrow morning.

Mr. SPEAKER: Yes, Honourable Members, and of course you are reminded that we start promptly at 9:30. No preliminaries.

The question that the House be suspended until 9.30 a.m. on Thursday, August 15, 2013 was put and resolved in the affirmative without division and Mr. SPEAKER suspended the House accordingly.

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SPEAKERS IN THIS ISSUE

BOYCE, Hon. J. D. E. (Christ Church South)
BRADSHAW, Miss S. J. O. (St. Michael South East)
HINKSON, Mr. E. G. (St. James North)
JONES, Hon. R. D. (Christ Church East Central)
KELLMAN, Hon. D. St.E. (St. Lucy)
LASHLEY, Hon. S. A. (Christ Church West Central)
MOTTLEY, Hon. Miss M. A. (St. Michael North East)
SEALY, Hon. R. L. (St. Michael South Central)

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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 correcting and preparing this report. Members are named as in the 2013–2018 Parliament.

Q1. Front matter. The source does not record the PRESENT list; the Members listed are those identified from the record. The source states that the House met at 10.00 a.m., but the Sitting of Tuesday, August 13, 2013 was suspended until 4.00 p.m. on August 14 and Mr. SPEAKER opens with ‘Good afternoon’. The time of resumption is therefore not printed; please supply from the Votes and Proceedings.

Q2. Throughout. The bracketed time-checks in the source are out of sequence (for example ‘[1.30 a.m.]’ and ‘[2.00 a.m.]’ during the evening after the House had resumed at about 8.45 p.m.) and have been omitted.

Q3. Order No. 3. The source does not repeat the Order. The heading is taken from the Clerk’s reading on August 13, 2013: ‘Order number three ... to present the financial statement and budgetary proposals for the year 2013’. Please confirm against the Order Paper.

Q4. Order No. 3, Hon. Miss M. A. Mottley. The question ‘How many minutes, sir?’ and the reply beginning ‘17? Yes. Thank you.’ are headed ‘SPEAKER UNCERTAIN – REVIEW’ in the source. They come between Mr. SPEAKER’s warning that the Member had about 17 minutes left and the continuation of her speech, so both are printed under Hon. Miss M. A. MOTTLEY.

Q5. Order No. 3, call of Hon. R. L. Sealy. Mr. SPEAKER’s call reads ‘Member for St. Michael South’ in the source. The Minister of Tourism, who then spoke, describes himself as the representative for St. Michael South Central; corrected.

Q6. Resumption after dinner. Part 2 of the source begins with the speech of Miss S. J. O. Bradshaw. The resumption of the sitting at about 8.45 p.m. and the Chair’s call are not recorded. She refers to the Minister of Tourism as having spoken ‘before the break’, so no speech appears to be missing, but please check against the recording. ‘Mr. Chris Sinclair’ in her opening sentence is printed as ‘Mr. Chris Sinckler’.

Q7. Order No. 3, point of order during Mr. E. G. Hinkson. The opening words of Hon. D. St.E. Kellman’s point of order are split from his speech in the source and printed with Mr. SPEAKER’s words (‘Yes, Honourable Member. Yeah, I remember misleading the’). The Chair’s

recognition is printed under Mr. SPEAKER and the words ‘The Honourable Member is misleading the House’ under Hon. D. St.E. KELLMAN. Please check against the recording.

Q8. Order No. 3, Mr. E. G. Hinkson. After the Member withdrew his remark about the Minister of Education, Mr. SPEAKER is shown as saying ‘You have 60 minutes in which to conclude’. The Member spoke for only a few more minutes; the figure may be ‘six’. Printed as in the source; please check. The exchanges immediately before the withdrawal (‘Mr. Speaker, please’ and ‘All of our members. Please, all of our members’) are garbled in the source and are printed as they stand.

Q9. End of report. The source ends with the suspension of the sitting until 9.30 a.m. on Thursday, August 15, 2013, with the debate on Order No. 3 still in progress. The proceedings of the morning of August 15, which the source titles as Part 3 of Wednesday, August 14, are printed in the report of Thursday, August 15, 2013.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The House of Assembly resumed on the afternoon of Wednesday, August 14, 2013, the Sitting of Tuesday, August 13 having been suspended, with Mr. SPEAKER presiding, to continue the debate on Order No. 3, the Financial Statement and Budgetary Proposals for the Year 2013. The Leader of the Opposition, Hon. Miss M. A. Mottley, said reserves had fallen by \$300 million in three months, about \$25 million a week, and that the Government was paying 31 cents of every dollar of revenue in interest. Quoting Errol Barrow in 1976 against borrowing to pay wages, she questioned the proposed IDB policy loan, the cuts affecting some 6 500 temporary officers, the \$35 million reduction for the hospital, the 12 per cent cut in transfers and the \$650 reduction in the reverse tax credit. She opposed tuition fees at the University of the West Indies, said tourism was down 6.7 per cent to the end of July, and said she would continue her speech on Sunday at a public forum.

Hon. R. L. Sealy, Minister of Tourism, supported the Resolution, commended the Barbados Growth and Development Strategy 2013 to 2020, said most of the 35 000 jobs claimed by the Barbados Labour Party were public service hires, and defended the change in university funding and the \$50 million hotel refurbishment fund. The sitting was suspended until 8.45 p.m.

On resumption Miss S. J. O. Bradshaw, in her first budget presentation, criticised the absence of a tourism master plan, compared the response to the air passenger duty with St. Lucia's, and said she could not support the proposals. Hon. D. St.E. Kellman supported them, citing 500 housing lots and \$125 million for roads. Mr. E. G. Hinkson, in his maiden budget speech, opposed the fees and said the Government owed Cave Hill over \$160 million; Mr. SPEAKER ruled unparliamentary his suggestion that the Minister of Education had intervened in

scholarship interviews, raised by Hon. R. D. Jones on a point of order, and Mr. Hinkson withdrew it.

Hon. S. A. Lashley, Minister of Culture, said the Barbados Labour Party had borrowed \$650 million in the two years before 2002 and described plans for Crop Over, a Barbados Arts and Music Festival and a film commission desk. On the motion of Hon. J. D. E. Boyce the sitting was suspended until 9.30 a.m. on Thursday, August 15, 2013, with the debate on Order No. 3 still in progress.