
THE

House of Assembly Debates

(UNOFFICIAL REPORT)

FIRST SESSION 2008 – 2013

HOUSE OF ASSEMBLY

Friday, January 4, 2013

Pursuant to the adjournment, the House of Assembly met at 10.00 a.m. on Friday, January 4, 2013.

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)
His Honour K. St.C. BEST (Deputy Speaker)
Mr. R. C. EASTMOND, J.P.
Mr. G. A. CLARKE, J.P.
Hon. D. St.E. KELLMAN (Minister of Environment, Water Resource Management and Drainage)
Miss C. Y. FORDE, J.P.
Hon. R. D. JONES, J.P. (Minister of Education and Human Resource Development)
Mr. D. D. MARSHALL, Q.C.
Hon. J. D. E. BOYCE (Minister of Transport and Works) (Leader of the House)
Hon. E. G. HUTSON (Minister of International Business and International Transport)
Mr. J. D. PAUL (Chairman of Committees)
Dr. the Hon. D. S. LOWE
Hon. A. D. BRATHWAITE (Attorney General and Minister of Home Affairs)
Hon. S. A. LASHLEY (Minister of Youth, Culture, Sports and Family)
Hon. D. O'N. INNISS
Hon. P. M. T. TODD
Mr. SPEAKER: Good morning, honourable members. This House is now in session. Members, let me welcome you back from our very brief holiday, as it were. I hope you are all refreshed to continue with the people's business.

MINUTES

Mr. SPEAKER: I have with me the Minutes of the meeting held on Tuesday, December 18, 2012.

Hon. J. D. E. BOYCE: Mr. Speaker, let me join in and welcome you for the new year, and move that the Minutes so referred to be taken as read. Thank you.

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

ORDERS OF THE DAY

SUSPENSION OF STANDING ORDERS

Hon. J. D. E. BOYCE: Mr. Speaker, sir, I beg to move the suspension of Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 for the remainder of today's sitting.

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

GOVERNMENT BUSINESS

ORDER NO. 8

Mr. CLERK: Government Business is the Order of the Day. Order No. 8, sir, stands in the name of the Honourable Leader of the House: to move that the House resolve itself into Committee of Supply to consider the grant of sums of money for the service of this Island.

Mr. SPEAKER: Yes, honourable member.

Hon. J. D. E. BOYCE: Mr. Speaker, sir, I beg to move that you do now leave the Chair and the House resolve itself into Committee of Supply to consider the grant of sums of money for the service of this Island.

The question was put and resolved in the affirmative without division and Mr. SPEAKER left the Chair and the House went into Committee of Supply, Mr. J. D. PAUL, Chairman of Committees, in the Chair.

COMMITTEE OF SUPPLY

Mr. CHAIRMAN: The House is now in Committee of Supply.

RESOLUTION FOR \$1 039 946 - SUPPLEMENTARY ESTIMATES 2012–2013 NO. 11

Mr. CLERK: In the name of the Honourable Leader of the House: to move the passing of a Resolution to grant the sum of \$1 039 946 from the Consolidated Fund and to place it at the disposal of the Government to supplement the Estimates 2012–2013 as shown in the Supplementary Estimates 2012–2013 No. 11, which form the Schedule to the Resolution. Head 16, Ministry of the Civil Service, in the amount of \$188 703 (*to be confirmed*).

Mr. CHAIRMAN: Honourable member for Christ Church South.

Hon. J. D. E. BOYCE: Thank you, Mr. Chairman. This sum of money, \$188 703 (*to be confirmed*), is required in the Ministry of the Civil Service to meet the additional costs, the increased costs, associated with the payment of salaries, acting allowances, entertainment allowances, travelling and other payments which from time to time occur in the management of a workforce of this size. The situation arises as a consequence of the filling of supernumerary posts, pre-retirement leave and consequential acting arrangements, and also the payment of officers and substitutes who are replacing persons acting outside the Ministry.

While on my feet, just quickly to mention, of course, that the Barbados Public Service is certainly an institution of which we are all extremely proud, and it does Barbados well. There are a number of persons who from time to time, of course, have issues in terms of delays, et cetera, in executing certain activities. But this is not as a consequence, I am sure, of deliberateness, but more a deliberate attempt to be as accurate as we can. We often have to put in place, as leaders, facilitation arrangements to expedite these processes, and this is something which under good management will always occur, sir.

It is also, of course, a Civil Service of which we in Barbados are very proud. It is the envy, I believe, of a number of our neighbours, and it is certainly a body which continues to support the administration of this great independent nation to no end, sir. There is always room for improvement, and certainly we have not relented on any aspect of training and the establishment of institutions from

time to time, whether private sector training institutions or indeed public sector training institutions and bodies, along with *collaborative (to be confirmed)* discussions with NGOs, to improve the performance of this body. So with those few remarks, I beg to move that Head 16 stand part.

The question that Head 16 stand part was put and resolved in the affirmative without division.

Mr. CLERK: Head 73, Ministry of the Environment and Drainage, in the amount of \$851 245.

Dr. the Hon. D. S. LOWE: Thank you, Mr. Chairman. The matter before the Committee is a very simple matter, Mr. Chairman. It is requesting a supplementary of \$851 245 to cover the first of three quarterly payments of a short-term loan for the Harrison's Caves. The loan became necessary when a decision was taken to convert an overdraft facility into a loan to ensure the closure of that facility and to expedite the full payment of the resulting loan. As you would recall, Mr. Chairman, the Harrison's Caves has gone through a series of closures and reopenings, closures and reopenings, and as a result of the last closure it became necessary for the institution to acquire an overdraft facility to cover operational costs and salaries during the period of the closure. Therefore this amount of money is intended to cover the first of three tranches of payments to the lending institution that will liquidate the loan completely.

Just for the information of the Committee, it would be important for me to indicate that the redevelopment programme for the Harrison's Caves is well nearing completion. The physical works have been completed. We are now working towards the conclusion of some civil works, and perhaps the most important element would be the relocation of those residents in the precincts of the Harrison's Caves. Now, I know that matters have been raised in here on that issue, and let me place on record that the Government of Barbados is consciously aware that that programme needs to be completed, and that those residents need to be able to make the transition and continue with their daily lives at a quality higher than it would be at this point in time. We do understand that the Harrison's Caves sit in a special environmental zone, and that necessitates our ensuring that there are no human factors or otherwise that will impact negatively on the Harrison's Caves and its operations.

I should also like to indicate, Mr. Chairman, that the Government of Barbados is consciously aware that it is important that the residents who live within the precincts of the caves, those who are interested in becoming part and parcel of the daily operation of the caves, whether as it relates to business endeavours or otherwise, must be included. This Minister has emphasised repeatedly to both the board and the management of the Harrison's Caves that

every effort must be made to ensure that no resident in that area who wishes to, and is capable of, operating any business endeavour facilitated by the Harrison's Caves should be deprived of that opportunity.

I think it is important because the caves not only represent a business endeavour, a business activity, but the caves also represent two other important aspects of sustainable development: one which is, of course, the whole issue of economic development, and another which is the whole issue of social development. Let me pause at that for the moment, because that is where full consideration has to be borne out, to giving the residents every opportunity not only to participate in business-related activities, but also to access any of the services and any of the activities put on by the Harrison's Caves as they undertake their business there in St. Thomas. The residents, not only of the immediate precinct but of the broader community, have to be given every opportunity to be part and parcel of that.

Mr. Chairman, we have done a number of things to achieve that endeavour, one of which is that there are 17 employees from St. Thomas who are now employed at the Harrison's Caves. As you would recall, there was a transfer of 42 workers from the National Conservation Commission to make up the population of 70 employees at the Harrison's Caves. So 42 came from the National Conservation Commission, and of the balance of the 70, 17 are from St. Thomas. I still believe that as persons retire, resign or otherwise move on, we need to continue to recruit actively residents from the area to be part and parcel of that endeavour.

Another significant fact that I would like to lay at the disposal of the House is the fact that there are five kiosks in the Harrison's Caves operating at present. Of the five, four of the operators are from St. Thomas: *Mrs. Connell (to be confirmed)* from Sturges, Mr. Gibson from Welchman Hall, Ms. Trish Henry from Hopewell Development, and *Ms. Alacott (to be confirmed)* from Welchman Hall, St. Thomas. The other operator is from Deacons Farm in St. Michael. I am making the point that it is not perfect in terms of how the arrangements have developed over the years, because please bear in mind that the Harrison's Caves came into being in 1981 and later became an incorporated body, CBL. I think over the years we have learned a lot of lessons. We have understood a number of things that must obtain, and this Minister has tried, and continues to work towards ensuring, that all of the issues that are important to creating a development space that includes and incorporates those persons who are indigenous to that space will be done.

The process of getting persons involved, Mr. Chairman, has been an open one; for example, the vending kiosk tender. Here is what was undertaken by the

Harrison's Caves. Two town hall meetings were held and extended to residents on November 18, 2009 (*to be confirmed*), *within the zone of special environmental control (to be confirmed)*. The board approval of the tender documents was on the 17th. Communication to residents was on the 18th of December of the same year. Request for proposal documents were available on May 7, 2010, and a pre-proposal briefing session with all parties who would have applied was held on May 21, 2010. And then, of course, the evaluations and clarifications occurred on June 21, 2010. That is how we derived the collection of persons who are now operating there.

Must we do better? Yes, we must. Must we continue to incorporate the residents of the communities around? Yes, we must. What we must also do, Mr. Chairman, is to ensure that when we select persons, they demonstrate the competencies and the attributes that are necessary to be able to execute a business such as is required by the Harrison's Caves of Barbados. We are pleased that we are moving in a strong direction towards embracing the concerns that have been expressed, not only by members of this honourable Chamber but in the open public, to ensure that the residents of St. Thomas are not disadvantaged because of development, but rather that they are brought along with the development process.

The third aspect of the Harrison's Caves journey, in addition to the social and the economic, would be the environmental. The Harrison's Caves represent one of the most comprehensive, environmentally friendly products in tourism anywhere in the region. You can go anywhere you wish; you will not find another one in comparison to the Harrison's Caves, and we are proud of that. We are proud of that. Not that this Government lays claim to the ownership of all of the wonderful environmental aspects of the Harrison's Caves, but certainly we have inherited an institution which, once we continue to work on its development, we will be able to build out into the kind of institution that Barbados can be proud of as one of its premier tourist attractions on the Island.

Why do I say that? I say that because there is something called the Harrison's Caves technical tour, and it includes an inspection of a number of those aspects of the Harrison's Caves. For example, there is a garbage separation programme; there is a mulching programme there; there is a lighting programme that is very eco-friendly. There is also an environmental monitoring system. The trams are the most modern tram system associated with any similar type of tourist activity. Then, of course, there is a sewage treatment plant at the caves, there is a water harvesting system at the caves, and there is also a photovoltaic system that works in conjunction with the generation of energy.

I believe, as I said before, Mr. Chairman, that both governments have contributed to this development, and it is important that we understand that the journey of national development is a journey not taken by one; it is a journey taken by all. We shall continue to strive to ensure that the caves reach their maximum potential. We will strive to ensure that the residents are given the best possible options in terms of their integration into this system. We will also ensure that there continues to be a vigorous effort on the part of the board and the administration of the caves to lift its services to the highest possible level, so that we can realise the Government of Barbados' investment in that system. Mr. Chairman, with those few words, I ask that Head 73 stand part.

Mr. CHAIRMAN: Honourable member for St. James North.

Mr. R. C. EASTMOND: Mr. Chairman, members, best wishes for all of 2013, and to all Barbadians. May your worst day this year be better than your best day last year. I always ask if it is Harrison or Harrison's. In checking the history of Barbados, sir, it seems that the person who founded Harrison College had also discovered a cave in the *wilds (to be confirmed)* of Barbados. Some historians have the view that this gentleman, Mr. Harrison, was a physician, a humanitarian and an early environmentalist. Up until relatively recently, Mr. Chairman, the cave was part of the National Conservation Commission, and there would still be a couple of people who have been working at the caves who were part of the NCC, and may still be at the NCC.

There has been an enormous amount of planning and thinking and expenditure down through the years, and we have seen both governments attach importance to what is clearly Barbados' best attraction, best tourist attraction. We do have a problem, certainly, that internally there are institutions involving young people and children that have never sought to let the youngsters of Barbados understand the cave or even visit it, sir. A significant number of Barbadians ought, in my humble view, to be encouraged not only to protect and promote the cave; in a situation where the cave is loved by almost all, Parliament, like other sectors of the community, should be encouraging developments.

There was a hurdle, or a couple of hurdles, over the years, sir, and the honourable Minister just mentioned it. One of the early hurdles was that there were people living more or less on top of the cave who did not quite appreciate what was beneath them. I do recall, sir, that around 1994 to 1996 somebody was operating a farm with farm animals, and those animals, through their droppings, were very much undermining the state of the area close to the cave, sir. I said earlier, Mr. Chairman, that the National Conservation Commission was indeed originally in charge

of the cave, but a separate entity has evolved, and that is the entity that we are here looking at today, sir.

All efforts, which are being said to be holy and noble, have been made at the level of policy to encourage particular Barbadians to get involved. For a long time the Government would normally pay a kind of subvention or subsidy to taxi operators who could take tourists who come off the ship for the day for a ride to the cave; that was money that the cave paid to taxi operators. As an encouragement, I call it a subsidy of salvation to bring tourists to Harrison's Cave, in that it rates as one of the wonders of the world. It is an excellent location; it must be protected, and we must protect it in such a way that, in seeking to protect the environment around us, we are not willing to do anything that damages relations between the population and the cave.

And finally, Mr. Chairman, a lot of thinking and planning has been going on, and it is not that I am saying something that you do not believe in. But to the extent that we have been promoting entrepreneurship, we need to identify persons in the area who can, as entrepreneurs, set up business in the cave. I remember some artists. There was an artist who *painted (to be confirmed)* new paintings in the presence of the tourists who were going to the cave, and they were discouraged. This is not recent; this happened a while ago, sir. So my respectful submission is that when we look at matters affecting the cave, we balance the interests of Barbadians who can actually derive economic opportunities and the interest of the country in making some money.

The investment in the cave has been so enormous down through the ages that the utmost should be done by the Government, the State, the caves authority and others to ensure that we protect the cave. I do not know when last the residents themselves have spoken to Government about this matter, but I do recall that when the redevelopment project was first mooted, there were serious talks between the cave and the population there, and that has made for a smoothing of any particular conflict that could have arisen in this matter.

Finally, Mr. Chairman, the word "drainage" was mentioned in the Minister's presentation, and he is the Minister responsible for drainage. I rather suspect that the honourable member for Christ Church South does have a role to play as well in drainage. So we have a Minister responsible specifically for drainage, and we have the Ministry of Public Works chipping in to do drainage-type operations. If you go through rural Barbados, Mr. Chairman, you will see evidence that there is a lot of work for drainage people to do; a lot of work ought to be done by the drainage people. But I do not know by what methods Government prioritises which areas should be looked at for purposes of drainage. What I do know is that *there are*

almost a highway; it's so great (to be confirmed), and it causes a lot of inconvenience.

Mr. Chairman, my colleague the member for St. Thomas, since taking up office as the honourable member for St. Thomas here in Parliament, would have put a lot of energy into this matter. I do recall that even when she was not the Member of Parliament, as a community worker she would speak to the persons in the area and tell them, in fact, what really is the right path for the cave. We cannot afford to lose it. We cannot afford to have it undermined. At the same time, when people live in a place for 40 or 50 years, they are sometimes not easy to persuade to get on board in such matters. Mr. Chairman, with those remarks, I cannot see us on this side doing anything but supporting what the honourable member for Christ Church East is asking for. Thank you very much, sir.

Mr. CHAIRMAN: Honourable member for St. Lucy.

Hon. D. St.E. KELLMAN: Mr. Chairman, I want to concur with what the outgoing member for St. James North said just now as it relates to *his outgoing (to be confirmed)*. Mr. Chairman, there is no doubt that this project is a very important project. It has been around as far back as the 1970s, when that great son of St. Lucy, *Walton Burrowes (to be confirmed)*, spotted the beauty and invited persons to come to this country to develop the project. It is true that it might have been commissioned in the 1980s, but do not let it be said that this project has anything to do with the Barbados Labour Party, because it is just a continuation of something they found.

But you know, Mr. Chairman, I have been saying in this country that whenever you have a good project and it is started by the Democratic Labour Party, never leave it to the Barbados Labour Party to complete. This is a good example, Mr. Chairman, of a project that is a vital project, but for some reason we were not able to complete it in the early years, and when the redevelopment came we were not there again to *sort (to be confirmed)* it out. And what you have seen, sir, is the bastardisation of a very good project.

What worries me is that as far back as *1997 and 1999 (to be confirmed)*, Mr. Chairman, on the floor of this House, on the other side of the House - and the honourable member for St. Thomas has repeated it some time back - I proffered to this House that the Harrison's Cave cannot be a project just about the cave and the entrance to the cave. If we want really to exploit the true value of Harrison's Cave, we will have to take it as far down as either the post office or *the top of the gap by the (to be confirmed)* National Heritage Department, and then build around this project straight down to the entrance of the cave.

Instead of taking a bus straight to the cave and allowing the cave to be the only commercial aspect of it,

we should have exploited the whole area and allowed the buses to stop either by the post office or by the small roundabout, and allowed those persons to pass through duty-free shops and other shops, if we truly wanted to make this a commercial project. But what we saw, sir, is that it did not happen in the early 1980s. And then we came back, sir, even though the advice was given by this honourable member, and we spent over \$84 million just at the *mouth (to be confirmed)* of the cave again, and the only thing of note is an elevator: \$84 million.

I am saying, as a speaker, that Harrison's Cave is no different to the port or the airport. In other words, the same type of development that you would give to the airport or to the seaport, you should give to something like the Harrison's Cave. I am saying that Harrison's Cave should be one of the biggest *projects (to be confirmed)* in Barbados. But for some reason the Barbados Labour Party seemed not to understand the importance of commercialising anything that is important, and that is why we find this with Harrison's Cave. And it is consistent with them, sir, because when we came to do the Oval and we had to spend hundreds of millions of dollars, we did the same thing again, if we do not understand how to take a green area and convert it into major commercial activity.

I am saying, Mr. Speaker, that they did one wonderful thing when they moved the lady with the pigs to St. Lucy, but they stopped there. In moving that lady, they should have moved all the others. We should not be here, sir, today having to discuss whether people should be moved from *Allen View (to be confirmed)* or not. It should have been concluded. It should have been concluded ever since. But we now have to come and deal with these problems. I am saying, Mr. Chairman, that we have to understand in this country that no longer can we accept piecemeal government; that this is serious business, because all it does is increase the debt of the country and increase the deficits.

And they are the party of the good times; when the crisis comes, they know we know how to come and correct all of these things (to be confirmed). I am saying it is not fair. It is not fair for them to take all the money that was circulating in the world, behave like gamblers and spend it out, while now, in a crisis time when money is not flowing in the country, we have to manage it, as we have done over the last four and a half years, in a way that even though the world is in a crisis, sometimes it is difficult to tell that Barbados is in a crisis, if you check and see how Barbados behaves, especially when they have major events. And I am saying, sir, do not let us *politicise (to be confirmed)* this year, but let us understand that what we are discussing is a very serious issue. Let us admit that we have made errors and that we correct them.

I am saying, sir, that there is all this talk about the restaurant not functioning. But when you structure the type of development they went on, it is always about how the restaurant is situated, and so on. The restaurant cannot function properly and you cannot attract persons. I was *instrumental (to be confirmed)* when I was in that Ministry. I tried to get people to come to the restaurant, even if you want to start them at zero cents, but because of how it has been laid out - it has been badly laid out - they would not.

I am saying, sir, that what you need is not only the staff who work at the cave. You see, there is a belief that there are a lot of people coming from cruise ships, so once they are coming from cruise ships they will use the restaurant. No; you cannot plan a project like that. You have to plan the restaurant based on the number of persons in the area who will use the restaurant and the number of workers, and then treat the tourists from the ships as gravy, for the simple reason that we know a lot of them sometimes *get their lunch on the ship (to be confirmed)* before they come off the ship.

To impress someone, you have to create the enabling environment so that that person can feel that there is some type of profitability and so on. There are not many business people who believe in research and development who will go into a green area and develop it, and not many who understand the importance of developing that green area. There are not many who will do it, and because there are some of us who will do it, it does not mean that everybody will do it.

I am saying, Mr. Chairman, that this project has a lot of potential. But if this project remains as it is, this Government will have to continue, and any other government will have to continue, to put money into Harrison's Cave. I am saying, sir, that we have to look at the wider and the broader picture, and we have to be expansive in our thoughts and recognise that we have to commercialise the area around the cave. I must say, when you have the cave, you have *a small village (to be confirmed)*. I have always said that there is strong heritage tourism and eco-tourism in that area, and we need to exploit it. Go back to the debates of the 1990s, when they were seeking to take this from the NCC and pass it to the Caves of Barbados.

You know what worries me, Mr. Chairman? If these things were not proffered before the project was started, I would not be an angry man. But they were proffered before the project was started. And people said, "Well, we do not have to worry about those things", but now we are saddled with a cave with a capital expenditure of over \$84 million, and that is expenditure, nothing to do with the development. We have to understand that we have to commercialise this, because it cannot be that we believe we

can just take the taxpayers' money and spend it and behave like cosmetologists.

Something I have always made reference to is the viability, the economic viability, and the employment of the people in St. Thomas. I hear a lot of talk, and people behaving, as regards the things we are talking about, as if they know something that occurred in 2012. It is not true. I remember well that this topic was well ventilated in 2001 in the St. Thomas by-election. I remember well *the diploma plan (to be confirmed)* and things like that. So not everybody believes that they can get away with the passing comments that this is something that has been done by the Democratic Labour Party, and that we are not caring and that we do not understand these things. Because, Mr. Chairman, we do understand. We understood them from the root, because we planted the seed.

The only thing is that the seed was not watered by the Barbados Labour Party, because they are the ones who took over the project when it was first initiated and did not do a good job. And one would have thought that with the expansion they would have corrected all the errors that they created for the country; but instead of doing that, they came and messed up bigger, leaving us with a lot of debt. \$84 million on a cave is a lot of money. I am not saying that it should not have been spent on the cave, but what I am saying is that when you are spending \$84 million on any project like this, you should be able to attract investment of more than \$84 million, because this should be enhancing development. This should be enhancing development.

This is something I have always said, and that is why I repeat it over and over: that when Kensington was being reconstructed, or they *were building (to be confirmed)* a multipurpose complex, it should never have been at Kensington; it should have been somewhere else. They spent all of that money. And that is why he proffered a new hospital. He did not take a new hospital and put it in a development; he talked about putting it in an area to create development. When you spend money, you do not only focus on the project that you are doing, but you focus on the other projects that will come along. And this is where there is a big divide between the two political parties. One understands the expansionary measure of a project, that it is not just the project, but the other projects that come along. The other understands how to spend money and make it look good, even though it creates debt and burdens for others.

I am saying this morning, I want to tell the *Minister of the Environment (to be confirmed)* that he has my support on this supplementary, *provided (to be confirmed)* he brings and corrects that problem; and that is, he brings a development plan, which I know he is thinking about and working on, which will cover the total project - not just the nucleus of the project, but all the parameters of the project -

so that you can get some type of viability. That project up there is a *heritage project, an eco-tourism project (to be confirmed)*. But yet still you cannot see it, because you do not see any duty-free shops. You do not see any commercial activities springing up around it. You spend this type of money; people should be rushing to get a piece of the cave. Even in Moontown you get people rushing to Moontown, but you do not see that at Harrison's Cave.

So you see, Mr. Speaker - I mean, Mr. Chairman - we have to understand that this debate is all about development, and we have to understand that the lives of the people of St. Thomas are very important to all of us in this House, and that we have to continue. And you know, I am not just saying it because I am in Government now. This is something I have been saying since the 1990s. But it seems that whenever you proffer something that is good, it falls on ears that are not interested in these things, because I cannot see how I could be on the floor of the House in the 1990s offering these suggestions, and then you can pick up \$84 million and go and deal only with the nucleus, and just *burden (to be confirmed)* it a little, and leave the whole parameters of the project.

So, Mr. Chairman, I will come back, but I just want to say that this is a project that worries me, because I offered *and I didn't send a bill (to be confirmed)*, but yet still all the wonderful ideas were not taken into consideration. And today we have a Harrison's Cave where, even though we have spent \$84 million, it is as if we have not spent \$84 million. I am saying it is a disgrace, and it is hard on the poor people of *Barbados (to be confirmed)*; they are the ones who will have to *pay for (to be confirmed)* the services. What should have happened is that we should have created the development to expand the economy and expand the people too. But they did not do it. But yet still you will hear people saying, even though we have demonstrated the difference between the two, that they want to replace us, to create another one of these. Have a good day, sir.

Mr. CHAIRMAN: Honourable member for St. Thomas.

Miss C. Y. FORDE: Thank you, Mr. Chairman. I, too, wish to express gratitude to you, sir, and of course to extend warm wishes and prosperity to the members of this honourable Chamber and, indeed, to Barbadians as a whole. I listened carefully to the honourable member for St. Lucy, and I smiled, because the honourable member for St. Lucy speaks as though little was done over the many years that the Harrison's Cave has been established. And I am hurt, especially when the honourable member for St. Lucy speaks, when I look back at what has happened in the parish of St. Thomas over the last five years, where the honourable member is responsible for rural development and I cannot get a single road that only needs bitumen on it

completed since January 2008. But the context in which I will speak today, sir, is related to Harrison's Cave -

Hon. D. St.E. KELLMAN: Mr. Chairman, as far as I know, the Ministry that is truly responsible for roads is not the Ministry in which I serve. We might also do some tenantry roads, but I also want you to know, sir, that St. Thomas has been getting many paved roads. I do not know if the honourable member does not drive through her constituency, but I have seen them.

Miss C. Y. FORDE: Mr. Chairman, no roads, no jobs, no houses from the Rural Development Commission, no projects. But, sir, I wish to support some of the comments made by the honourable member for Christ Church East, the honourable Minister, where the honourable Minister says clearly, "Must we do better? Yes, we must", in relation to Harrison's Cave. And then the honourable member further said words to the effect that the journey of a country is not by one but by all. I strongly support those comments, sir, and I respect anybody for that.

I have a difficulty, sir, with what has been presented to us in relation to the request for the \$851 245, in that, to me, the explanatory note is limited. Therefore I would wish for the honourable Minister in his reply to express what aspects of the expenditure go where and for what. I am not familiar with it, and I would wish, sir, to be better informed. I am happy about the aspects the honourable Minister spoke about regarding employment and the environmental aspect of it, with the sewage treatment and the garbage separation and all those things that would have been in progress before. But I believe the time and the redevelopment have made them better. I would wish, though, sir, that Allen View would have been given the chance to have the sewage in that close-knit community installed by now.

My emphasis is generally on the housing neighbourhood programme that is tangential to what we are saying, and that is the one that bothers me most. The bulk of the persons the honourable member spoke about who are engaged in employment in the caves, the Caves of Barbados, would have been persons working there many years ago, except for one or two who would have been assigned duties in the last five years with the change of Government, and I am happy for that. Any individual in Barbados, now or before, who has employment is being empowered. Therefore I do not care which political persuasion, which religious organisation or which social gathering anyone belongs to; once they have the opportunity to work, produce and look after themselves, I support it. The numbers that have been added would be small, but I am glad that the people in St. Thomas have been recognised, and I would like to hope, sir, that more persons from the parish will be given the opportunity to work.

Hon. D. St.E. KELLMAN: The honourable member said that no money was spent in St. Thomas from rural. The honourable member is misleading the House, because lately the Minister of Finance gave us some money, and the majority of that money went to pay contractors whom they would have hired prior to the election and did not pay. We had to take the few cents that we had in rural to pay those contractors who did commissions to do roads and whom they did not pay.

Miss C. Y. FORDE: Mr. Chairman, you know that I would not be the one who would go anywhere, in any public forum, and jingle a key in front of anybody on the eve of an election. I think it is a little too late. It is too little, too late for this Democratic Labour Party to place emphasis on Harrison's Cave or *Freedom Village (to be confirmed)* or any of the projects in the parish. Too little, too late, Mr. Chairman, given the money that was spent and the focus that would have been on the councils, and the high expenditure of \$600 000 on the football match, and the \$300 000 for last year. This is almost a million dollars, besides the millions that have been spent on the overpass, on the roundabouts and on the Alexandra School Commission. All of that, for me, was money wasted.

I would like, sir, for this project at Harrison's Cave to be the project for all Barbadians, as we know it. I want also to say that the communities surrounding Allen View, where the caves have been established, are also suffering, because the Town and Country Planning Department says to them - you who are living in Bloomsbury, Sturges, *Carrington's Village (to be confirmed)*, Vault Road, *Welchman Hall No. 1 and No. 2 (to be confirmed)*, *Bryan's Road (to be confirmed)* - people have properties that are lying fallow because they cannot cultivate them. And if they do, it has to be small-scale agriculture, and people are stealing left, right and centre, even from your little kitchen garden, much less your large open tracts of land.

I would have wished, Mr. Chairman, for the honourable Minister - but before I get to that, I would like to congratulate highly the management and staff of the cave, past and present, for the excellent work that has been taking place there for more than two and a half decades - more than three. I want also to congratulate those at the Heritage Department.

Hon. D. St.E. KELLMAN: On a point of order. The honourable member said that no money was spent by rural on houses in St. Thomas between 2008 and now. Mr. Chairman, between January 16, 2008 and June 20, 2011 - and this is nothing, according to them - let me give you an example of this: \$1 658 873.13 was spent in the constituency of St. Thomas, and that is no money, apparently.

Miss C. Y. FORDE: Mr. Chairman, the football match got more than that. The football match got more than that. I am not going to go into any shouting match.

Hon. R. D. JONES: On a point of order, Mr. Chairman. The honourable member is misleading the House. A football match is one game, and I would believe that the honourable member knows better. When you are able to mobilise thousands of young footballers in this country, with tens of thousands of spectators over two years, that investment in those young people is but a small investment for the people of Barbados, and the honourable member should know better and stop going down that particular path. There would have been literally scores and scores of games played three times a week across this country, including in St. Thomas. The honourable member, Mr. Chairman, last year, even the year before, because this is 2013, even wanted to go down from the VIP stand that she was in, in order to shake the hands and meet the people, so she should stop condemning the same tournament. But I think she needs to set an example for the *children (to be confirmed)* who are listening. The honourable member has to deal with Alexandra, the Alexandra School. That is the worst thing - the honourable member was Parliamentary Secretary and remained Parliamentary Secretary.

Mr. CHAIRMAN: I will have that *struck from the record (to be confirmed)* - the reference to Alexandra. It is not relevant, and I will ask you, please, to be relevant in what you are saying.

Miss C. Y. FORDE: I wish to commend highly the staff at the National Heritage Department for the excellent work, because they too work with the Caves of Barbados in helping to beautify Barbados. But I want to ask the honourable Minister - since everybody is going to get so heated on this eve of election, when the people of St. Thomas know what has happened for them - I will wish to ask, through you, sir, the honourable Minister to indicate, having not been able to understand clearly what has been explained in the supplementary here, sir, whether the kiosk owners at Harrison's Cave will be given an opportunity to have the rent reduced a bit. The population of visitors and locals who are coming has been tremendously reduced, and they are crying out. Mr. Gibson is one of my neighbours, so I know it is really a lot of hardship on them. Some of them are contemplating closing down. Will they get some kind of debt relief in respect of that? The honourable Minister spoke of that.

Will there be any land tax freeze or land tax ease for the persons there who have got properties but cannot cultivate them? The land has been *deeded (to be confirmed)* to other families, but they can do absolutely little or nothing with it. Will the compensation for the persons whose lands were acquired by the Government for the expansion of the project be included in that amount? Is

anything going to happen with the road realignment that has been a part of the Housing Neighbourhood Upgrade Project? Because nothing has happened yet in respect of that for the residents, despite however many town hall meetings the honourable Minister spoke of.

I want to know, sir, why the original plan for the redevelopment has not been followed in respect of kiosks that were to be running alongside the street near *Mr. Trotman's (to be confirmed)* house, to accommodate those individuals with various skills and talents who are unemployed and find it even more difficult now, in these hard times, to raise funding to help their families. Will the residents of Allen View who are without running water in their houses get pipe water - despite the fact that they tried to pay in, despite the fact that efforts were made to assist them and so on over the past few years? Will they be given the opportunity to have running water attached to their houses, especially now, when the rain has been falling in St. Thomas for almost two weeks - except for a day or two, almost two consecutive weeks of rain? People cannot get water over to their houses adequately. They cannot access water unless they pay neighbours to help them out. Will this \$800 000 allow for that to happen?

When will the sewage project for the people of Allen View be linked up? The honourable member for St. Lucy spoke earlier about the challenges, and the member for St. James North as well, about the challenges where one of the residents who was rearing animals was relocated to St. Lucy. Will this amount allow for the sewage project to be installed, so that less sewage will perhaps, in the near future, as we see it, affect the cave? I just want to know what is actually happening and what this money is for.

Will the persons at Allen View who have been waiting patiently for the funding from the Housing Neighbourhood Upgrade Programme to have their houses upgraded and *painted (to be confirmed)* by some of the same contractors from rural that the honourable member for St. Lucy spoke about - is there any plan in this for them while they wait in despair for the housing neighbourhood project to be put in place? Will any of them receive employment when that project happens? Because that is critical. These people have suffered over the years; they have given up their land without complaining or going to court; they have not had a class suit or anything. They have been trying their best to be able to live in that community and to share, as was the case with the project that had been running for more than twelve years with *the Heart of Barbados (to be confirmed)*, where almost everybody in that community came on board. That was really what we wanted for Harrison's Cave, and that is where we saw the efforts of the cave start to rise, and the funding that would have been received, and the revenue climb.

I want to know if there is any aspect of what is happening here that includes those persons who are living in the village, particularly Allen View, but of course also those in the surrounding communities who would wish to get some - The member for St. Lucy said, "We planted the seed", and whenever we planted the seed, the Barbados Labour Party did not do a good job with it. The Labour Party *had the charge (to be confirmed)* to nourish that seed, if the member is saying the Democratic Labour Party planted it. But unfortunately, Harrison's Cave is now a figment of the imagination of the Harrison's Cave *of before the redevelopment of that project (to be confirmed)*.

And I want to know, sir, from the honourable Minister, do these funds go towards helping with the opening of that restaurant, so that when people take the bus to get there, or ride their bicycles - the few who are going - or go with their hired cars or get taxis and coaches, there is somewhere to eat? Are there any funds in this amount to open that state-of-the-art restaurant, to be able to help those people?

Hon. D. St.E. KELLMAN: On a point of order, sir. The honourable member is giving the House the impression that St. Thomas fared so much better under the Barbados Labour Party than under the Democratic Labour Party. The truth is, sir, that between 1997 and 2008 the Barbados Labour Party spent \$2.2 million on housing in St. Thomas, and under the Democratic Labour Party, between 2008 and 2011, we spent \$1.6 million. You understand what I am saying? So this thing of coming in here and saying that St. Thomas has been neglected by the Minister from St. Lucy and so on cannot hold water. By 2012, in five years, we would have spent more money in St. Thomas than they spent from 1997 to 2008.

Miss C. Y. FORDE: Mr. Chairman, 15 seconds. Yes, sir. I just want to ask then, since we are on the cave and it is my final comment, if the honourable Minister of Transport is aware that there is no exit from Allen View. The entrance is also the exit. There is an agricultural extension road that was put in when the then member for *St. Michael (to be confirmed)*, *Sir Richard Cheltenham (to be confirmed)*, was there. I would *ask (to be confirmed)* for that road to be given some kind of ease, because if hundreds of people at any time converge on Harrison's Cave and there is any serious accident, the residents cannot get out now, because of the deterioration over the past five years and absolutely nothing being done to help improve it or upgrade the standard of that road.

Mr. CHAIRMAN: Thank you. Honourable member for St. Michael East.

Mr. K. St.C. BEST: Mr. Chairman, I want to rise on this money resolution, sir. I believe, sir, that the honourable member for St. Thomas should be aware that the purpose

of this supplementary is the payment of a loan. So to ask a question whether or not any of this money will be spent, sir, on the reopening of the restaurant - if you follow what is happening carefully, this clearly states, sir, that the money is for the payment of a short-term loan, right? So it is surprising, sir, to hear the honourable member talking about waste, and that this Government wasted money on an inquiry, sir. And if my memory serves me right, sir, the honourable member was the junior Minister in the Ministry of Education when the problems developed, and did nothing. She did nothing to assist in the solving of the problem, sir.

And then, sir, to be talking about waste of money, sir! I want to refer, sir, to the Auditor General's Report for the year 2011, sir, and I am going to read slowly from page 63, so that the honourable member for St. Thomas and all who believe that they are innocent in the waste of taxpayers' money should understand that they are not. We had a renovation of the roof of the Oistins Fish Market, sir. The renovation of the roof of the Oistins Fish Market was originally contracted to cost \$838 ... (*figure partly inaudible; to be confirmed*). This project attracted cost overruns of nearly 100 per cent, bringing the total cost of the construction to \$1 687 122 (*to be confirmed*). When I did the subtraction, sir, this is the figure that came out, sir. The cost of the inquiry into the Alexandra School is way below this cost. It is way below this.

The member for St. Thomas spoke about wastage. I am giving this House the areas and making the comparison, sir, in respect of the waste that they are talking about. How can - sir, are we going to go on and on in relation to waste, sir? The Harrison's Cave is a historic place in this country, sir. What I would like to hear, sir, from the honourable member for St. Thomas, being the parliamentary representative for the area, is ideas as to how best she can enhance the life of the people who live around there, or what she would like to see for the people around there. And so we understand the problems with the water system there, sir. We understand that. And having heard about this amount of money spent in St. Thomas, sir, what the honourable member should be doing, sir, is giving us ideas.

I would like to see what is happening, sir. There are a couple of kiosks there, sir. I do not know if the honourable member understands that the people there are struggling in relation to the kiosks. So if you want more people now having kiosks - and then, as she said, nobody goes to the cave too frequently unless they go there, right? But I believe that they are so familiar, sir, with this, the kiosks, or whatever she chooses to call them. The Auditor General's Report: remodelling of stalls at Speightstown, 13 stalls, sir, at the *bus terminal (to be confirmed)*, sir, because you want these things there for the use of persons who come there to ply their trade, and to purchase things, memorabilia, sir. And the same thing, sir, would have

applied to the stalls at the Speightstown market. There was a contracted price of \$72 804.90 in July 2006. That payment went from that figure to \$91 610.64, an overrun of \$18 000. This is *out of (to be confirmed)* the Auditor General's Report. We must trumpet this to this country so that the people understand the waste.

And they talk about waste: the David Thompson football competition, sir, where hundreds of Barbadians plied their trade many nights on the *playing fields (to be confirmed)* across Barbados. We are giving this country, sir - it is the entrepreneurs, sir, the people who *carry their best (to be confirmed)*. The Government provided the avenue, sir, for them to do that, and should this Government be criticised for that? And they want, in the next couple of weeks, to get up in this country to tell Barbadians that they should be returned to lead this country, when you have the person who wants to lead this country spending less than 20 minutes in this Chamber on education. The children of the poor and the underprivileged *are not being taxed again (to be confirmed)* across this country. *Where they get this from and where they get the next from? How can they afford this? How can they afford the next thing? (to be confirmed)* You must come from a particular stock in order to achieve certain things in this country, sir. But *the honourable member (to be confirmed)* had so much regard for the honourable member for St. Thomas as to indicate, sir, that she is a chattel house on prime real estate, sir.

Miss C. Y. FORDE: Yes, Mr. Chairman. I have never, ever been accused by the honourable member of being a chattel house on prime land. That comment was made in a Democratic Labour Party *article (to be confirmed)* one Friday some time last year. The honourable member is misleading the Chamber, and that comment should be withdrawn, sir.

Mr. K. St.C. BEST: Prime real estate, because the cave, which is a historic place, falls in that constituency. And that comment was made when that particular person wanted to get the *opportunity (to be confirmed)* to run, and hoped that the honourable member would step aside. But I support her in that regard, because she stood firm, because the honourable member happens to be the child of the *ordinary (to be confirmed)* Barbadian. This country - I talk a lot, I remember, you understand - but what does that mean, sir? It means that you will hear all sorts of criticism, sir, about this Government: this Government doing this and this Government doing the next, sir. This Government is doing a fantastic job, sir. All they want to do, sir, is to get their hands, sir, on the power and on the *purse (to be confirmed)*. *Their assets and their accumulated levy are being depleted, and they want the taxpayers to build back up their assets (to be confirmed)*, sir.

This is what was happening, sir, for her to start to speak about waste of money. They should look at the report

and say, "Lord, we made a mistake wasting serious money." *They will get their water. The person who wants to lead this country again went to the people in the Belle and promised them purified water (to be confirmed).* We are having a reverse osmosis plant at the Belle. You have to start somewhere, and this is where we are going to start, sir, to ensure that the people of not only *St. Michael East (to be confirmed)*, but also persons who get water from the Belle, sir, will have water that is not contaminated, sir.

So let it be known, sir - let it be known, sir - that this money that they voted for today, sir, is for the benefit of this country. It came, sir, for the development of the Harrison's Cave, sir. It came, sir, for the development of things. What I would like to see happen at Harrison's Cave is that *persons take the politics out of the management (to be confirmed)* and treat individuals as human beings. Treat them according to their ability, and not because you believe that they can be associated with any political party. Take *politics (to be confirmed)* out of it, and just put it as a country. That is what we want to see happen, sir.

Mr. CHAIRMAN: *The honourable member has one minute (to be confirmed).*

Mr. K. St.C. BEST: That is what I want to see happen, sir. I want to close, sir, by leaving a little *passage from the daily message (to be confirmed)*, sir, for the fourth of January: "Can I really make a difference in the world? Those who look to Him for help will be radiant with joy; no shadow of shame will darken their faces." Psalm 34, verse 5. "I have called you back from the ends of the earth so you can serve me. For I have chosen you and will not throw you away." Isaiah 41:9. We will not be thrown away by the people of this country, sir. The people called us in 2008 to look after them, and we have not failed them, sir. We have not failed them, sir. And we look forward to serve them and serve them. Thank you, sir.

Mr. CHAIRMAN: Honourable member for St. George North.

Mr. G. A. CLARKE: Mr. Chairman, I would wish to place on record and to wish all honourable members of this House a good, prosperous 2013. Mr. Chairman, I would want to encourage the member for St. Michael East to continue to read his Bible. He really needs it. He really needs to contemplate the words that he has read. And I want to wish him all the best in his retirement, because -

Mr. K. St.C. BEST: *On a point of order, the honourable member is (to be confirmed)* misleading the House. The honourable member for St. George North and I normally have some conversations. I have never discussed my retirement with the honourable member for St. George North. What I can say is that we have discussed the new routes we have *plotted (to be confirmed)* in relation to the

public service vehicles, where he believes that he can have the reins of power again to wheel and deal.

Mr. G. A. CLARKE: Mr. Chairman, we know voluntary retirement when we see it. And of course people *come to (to be confirmed)* this House and make their departure speeches, and we know what is happening today. We will know. A lot of them will gather here and cry, because the public out there will certainly have the last say on what we have had to endure during this year. Mr. Chairman, the member spoke about a number of things, but he never spoke about his constituency. And this debate is one on environment that we need to look at, because as we go across Barbados today, the Democratic Party has caused this country to be so unfriendly as far as the environment is concerned. All across *St. Michael East (to be confirmed)*, as we speak today, there is a lot of garbage building up. And the member is responsible for the environment. We need to hear what measures are being put in place to remove all the build-up of garbage across this country. And that is what the Democratic Party - and let me speak about garbage.

Mr. CHAIRMAN: Honourable member, just a moment. I am just trying to see the relevance, because I believe the resolution relates to Harrison's Cave. So I would just like you, please, to establish it in terms of relevance. If not, I will have to actually discontinue -

Mr. G. A. CLARKE: Mr. Chairman, you *presided (to be confirmed)* over a member who got here and talked about the Bible, talked about all types of things, measures that were not related to this. And I am talking - this measure, Mr. Chairman, deals with the environment. It deals with Harrison's Cave, and I am talking about the environment. If you, Mr. Chairman, want to use your prerogative, so be it. But I am speaking about the environment.

Mr. CHAIRMAN: Honourable member, I ask you again: the resolution deals with Harrison's Cave. I will ask you then, sir, to ensure that your comments are relevant to the resolution.

Mr. G. A. CLARKE: I will abide by your ruling, but I am saying that the resolution talks about the environment. I shall be talking about the Harrison's Cave. I shall be talking about the environment as it relates to this resolution. I want to say that the Democratic Party can use its majority to pass anything it will in this resolution here. But in the final analysis, it has to do with the people of this country. This resolution, Mr. Chairman, has its genesis not because we are in 2013, but because the Harrison's Cave was developed by the Barbados Labour Party in the 1980s. Over the years we have seen a lot of work being done and money being spent to develop an attraction, one of the wonders of the world.

And when you look at the history of this cave over the last five years, it endured a Democratic Labour Party which did not understand it and which cared very little for the management of this. Within the space of five years, you changed chairman twice. There were two or three chairmen of this board. Management changed over time. And there was a reason why they had not lived up to expectation over the last five years. I am saying further that one saw a deterioration in the visitor attraction at the cave: fewer visitors at the cave than there were in 2008 and 2007. We saw that a number of things that were put in the pipeline by 2007 have not materialised under the present Democratic Labour Party. And we saw complaints by board members, complaints by the management of the cave, complaint after complaint by staff, and it went on. There is a need -

Mr. CHAIRMAN: Yes. Honourable member for St. Michael East.

Mr. K. St.C. BEST: *The honourable member seems (to be confirmed)* not to understand or be aware of what is happening in Barbados. I believe the honourable member for St. Thomas could inform him that the cave was closed for major works - major works - on more than one occasion, sir.

Mr. G. A. CLARKE: Yes, Mr. Chairman. Over the past five years this cave has undergone a number of changes that were not meant for the benefit of the cave -

Mr. K. St.C. BEST: *He is misleading (to be confirmed)* the House. To my knowledge, the honourable member's qualification, sir, is as a teacher. He has no knowledge, sir, in relation to geography, sir, in relation to the nature of the cave, sir, or the type of work that has to be done at this. I believe he should stick to his -

Mr. G. A. CLARKE: Mr. Chairman, I would rather say that my qualification is that I am a teacher. I am a teacher at heart, and therefore I can examine certain things and analyse. So therefore I do not want the front bench to analyse anything for me. I do not want a member to analyse and tell me what I have to say. I was put here by the people of St. George North, and I will continue to be here for St. George North whenever you decide to call the election. What you need to do is explain to the public out there why you will be the first government that will go over five years. You need to go and explain to the people of Barbados why you want six years to do a programme. You must explain to the people of Barbados why you will be the first government to go past your five-year period.

Mr. CHAIRMAN: Yes, sir.

AN HON. MEMBER: Again, the honourable member seems to be mischievous. We stay in the House because the five years for the operation of this Government

have not yet come. And therefore it is a mathematical impossibility that the honourable member is speaking about. He is being prejudiced in his own mind, and he is being previous.

Mr. G. A. CLARKE: Mr. Chairman, we need also to look carefully at the residents of St. Thomas under the Ministry's programme. Under the Ministry of Housing programme, Allen View was to be developed under the Housing Neighbourhood Upgrade Programme. We saw that this Government - this Government has now withdrawn that programme for the people of St. Thomas. They have now withdrawn that programme.

Mr. CHAIRMAN: *Hold on (to be confirmed)* just a moment, please. Honourable members, please just give me a chance to acknowledge you. Honourable member for St. Michael East.

Mr. K. St.C. BEST: Yes. The honourable member is misleading the House, sir. This Government has not abandoned any Neighbourhood Upgrade Programme anywhere in Barbados, sir. What has happened, sir, is that the honourable member for St. George North should really be ashamed to say anything at all in relation to St. Thomas, because I was privileged to be in this House, and I heard the honourable member for St. Thomas bellyaching and crying about the *road work (to be confirmed)* that he was responsible for, which he never looked after.

Mr. G. A. CLARKE: I am so glad, Mr. Chairman. I am glad that the public out there usually listen to these programmes, and the public listen to this programme because of this debate. And I know the contributions that are being made by members, and I know the *falsehoods that are being told (to be confirmed)* by members. And I know that sometimes you, Mr. Chairman, need to look - the member for St. Michael East needs to look carefully at what he says. He needs to look very carefully at what he says. Because when we look at the people of St. Thomas, the people of St. Thomas are very strategic, not only to the development of this country; but when you look at what has happened over the past 30 years in St. Thomas, what has that to do with what the Barbados Labour Party has done? We developed the Harrison's Cave as the major attraction, tourist attraction, in this Island. Not the Democratic Party. Not the Democratic Party.

And I am saying that to put a management structure in place that was highly partisan in nature does not offer any solution to the problem. It is too partisan in nature, and therefore that is where the problem lies, so that you get no help at all in managing this cave. I am further saying, Mr. Chairman, that to come at the last minute now - to come at the last minute to provide funds for the Harrison's Cave - is really too little, too late, and we have to look carefully at what we are doing. Only today I was saying to one

individual in my *constituency (to be confirmed)* that we are going to Parliament today, and the person said to me, “I bet it will be another money resolution.” For the past five weeks, the only thing the Government has debated is a money resolution. Five sessions, the only thing: money resolutions. And to start this year with another money resolution is not only a waste of members’ time, but it is just a tokenism of what is happening -

Hon. D. St.E. KELLMAN: On a point of order, sir. The honourable member is misleading the House when he states that it is the Barbados Labour Party that started the Harrison’s Cave. What the honourable member meant is that it was continued and opened by the Barbados Labour Party. Everybody who knows the history of Harrison’s Cave would know that it was not the Barbados Labour Party who started it. But, Mr. Chairman, one of the most important points made by the honourable member - and I was always told that a gun in the hand of a child is a dangerous weapon - the honourable member said that every week we are coming to the House for money. That is what he is saying on the floor of the House. But his Leader is outside saying that we have no money; yet every week we are coming to the House for money. So I do not know what to believe. “The government is *scraping (to be confirmed)*. The government is *scraping (to be confirmed)*, and the public is saying you are using the money for your friends’ requirements, to pay bills that your friends have *left out (to be confirmed)*.” *He is reflecting on the House (to be confirmed)*.

Mr. CHAIRMAN: Honourable member, let us please restrict ourselves to the debate. Let us have those comments *dropped (to be confirmed)*, and let us go on.

Mr. G. A. CLARKE: Members, I said that the public is saying - okay, the public is saying - that the Government is scraping and raking, scraping and raking everything from the Treasury, and the country is becoming poor because the Government is taking every money, every cent, out of the system. The Government is using everything, and that is one of the reasons why *the witness of the fathers and so forth (unclear; to be confirmed)* - because you are taking every cent from the public. The Chairman can *rule me (to be confirmed)* out of order, but I am saying the Government is using every cent in the system for their own political benefit. That is what they are doing, and the public is saying so. The public is saying so. The public told me this morning that the very first bill I would come here to debate is another resolution, and the very first bill we are debating is a money resolution, to take money. The Government did not say what they wanted the money to do -

Hon. S. A. LASHLEY: Mr. Chairman, because the public has not said *the member’s thing (to be confirmed)*. The member has no way of establishing that. If that is true,

he should say that. But the public has not said that, as far as I am aware, or as far as anybody in this House is aware, Mr. Chairman.

Mr. G. A. CLARKE: The member does not know what I know. The member does not know what the public is saying. The member is so far removed from what the public is saying that he does not even understand who his public is in the first place. Wait a -

Mr. CHAIRMAN: I am trying to get a sense, sir, of where we are in the debate. As far as I am aware, we are debating a money resolution in respect of Harrison’s Cave. So I am trying to take your remarks in relation to that. Again, I am trying to see the relevance, and again the question of repetition comes in. So I will ask that you proceed with the relevant items in the debate, and please avoid the repetition. Proceed.

Mr. G. A. CLARKE: When we look at this debate, at this resolution, Mr. Chairman, we do not know what the money is really for. We do not know. We have been told this money -

Mr. CHAIRMAN: Honourable member for Christ Church East.

Dr. the Hon. D. S. LOWE: I raise a point of order, because the member is misleading this House. If the member was here on time, the member would have known what the money is for, because that was clearly stated in my preamble. It was clearly stated. I outlined what the money was for. So to get up and to say that nobody knows what the money is for - if it is not a lie, then it is an attempt to mislead this honourable House.

Mr. G. A. CLARKE: Mr. Chairman, the addendum says the sum of \$851 000 is required to meet the first of three quarterly payments of a short-term loan. That is what it says. But you did not explain anything to us. The loan could be for anything -

Hon. D. St.E. KELLMAN: As a member of Cabinet, he voted for a loan and agreed to a loan, and he did not know what it is for.

Mr. G. A. CLARKE: We are debating a resolution here for a quarterly loan. The Minister did not explain what the loan is for. We are just being told. And this is what this Government has been doing over the past -

Mr. CHAIRMAN: I think you should refrain from going down that line. Hold on, please. Wait a minute. Hold on. I also believe that your time has expired. No? Okay. So, one, you should desist from that line; and secondly, I will give you a minute to wrap up.

Mr. G. A. CLARKE: This resolution was anticipated by the public, and we expect in the next two sessions four more resolutions. And the Government will come in here and scrape and rake everything out of the system for the benefit of the Democratic Party. I am saying that *the public is to pay (to be confirmed)*.

Hon. D. St.E. KELLMAN: *You are commenting on this party and doing what? (to be confirmed)* He knows, sir. And the only member we have to address, sir, because we do not know how to do that, sir.

Mr. CHAIRMAN: Honourable member, you keep on saying that the Minister did not say what the purpose of the loan was. I believe that in his initial presentation he did indicate the specific purpose to which it was to be applied. So I think it is a bit disingenuous of you to proceed to give the impression to the public that that is the case, when clearly it is not. All right? So I think you need to refrain from doing that, because that is not true in the context of this debate. The other point I wish to draw your attention to: I gave you *one minute (to be confirmed)* to wrap up, because you had already exceeded your time. So until you can come back again, I will have to go on to another speaker. Thank you very much. Honourable member for St. James South.

Hon. D. O'N. INNISS: Mr. Chairman, I rise to give support. We have before us today the grant of some \$851 245 to the Ministry of the Environment and Drainage for the purpose of the use of Caves of Barbados Limited, as the addendum quite rightly states, to meet the first of three quarterly payments on a short-term loan. And as the honourable member for St. George North knows, because we discussed it in the lunchroom a few minutes ago, it is to be used to help settle some of the debt that would have been incurred by the former Government, certainly during the construction or reconstruction, the redevelopment, of Harrison's Cave. As was mentioned by the Minister time and time again, the caves would have been faced with an overdraft facility. And as the honourable members for St. Joseph, St. Thomas and St. George North know quite well, overdraft facilities invariably carry a much higher interest rate than a loan. Therefore it is with the wisdom of the Minister and the Ministry that they opted to convert from an overdraft facility to a loan to meet the operational expenses of *Caves of Barbados Limited (to be confirmed)*.

So, Mr. Chairman, there were quite a few unfortunate comments made from the Opposition benches in this debate this morning. It is almost as though members on the Opposition side are prepared to do their swan songs here this morning, anticipating an election, and quite rightly so. Elections are imminent; there is no secret about it. I think that honourable members like the honourable member for St. Thomas, for example - my dear friend - recognising that during 14 years of her party's regime they

were unable to achieve much in St. Thomas, now come to the House to seek to apologise to the people of St. Thomas and ask them to give their confidence to her despite her failures while sitting in the Barbados Labour Party Government.

Likewise, it is quite rightly signalled, Mr. Chairman, to the honourable member for St. George North that his time is up, not just in the speech here today, but certainly as a parliamentarian, and we look forward, of course, to saying a fond farewell to him, as we do to the honourable member for Christ Church West. I did not interrupt the honourable member for St. George North during his speech, because I know that he would perhaps have said some things about my parents, as they like to do on that side, and I opted therefore to keep very quiet.

But seriously, we have before us today this bill to approve the \$800 000-odd for Caves of Barbados Limited, and I really thought that the debate should not be just about what is happening in St. Thomas, but about what is happening specifically at Caves of Barbados Limited and what it means to the overall tourist industry in Barbados, for example, and their efforts to be more eco-friendly. The honourable member for St. George North kept talking about the Barbados Labour Party opening Caves of Barbados, Harrison's Cave, back in 1981. The truth of the matter is that this little Island is blessed with responsible governments, governments that somewhat form a continuum. So there are ideas that had their origins under the Democratic Labour Party, and the Barbados Labour Party has seen it fit to continue them.

Just so, this bill before the House today really has its origins in the \$80 million redevelopment of Harrison's Cave, which was conceptualised, albeit with serious errors, on the part of the Barbados Labour Party, and which we as the Government have deemed it fit to bring to some measure of conclusion. And therefore we have not really come into office and said, "Well, look, this was money wasted, a bad idea." The work had been started, and we saw it fit just to conclude the work. We recognise that Caves of Barbados Limited, which was formed as a corporate entity, I believe in 1999, is an impeccable part of our tourist product, and therefore we saw fit that that work should be concluded and that it should be reopened to the public.

We can all, on both sides, however, admit that a great error was made when the honourable member for St. Peter, despite the best advice of his Cabinet colleagues, in a naked rush to find something to look good for World Cup Cricket 2007, reopened Harrison's Cave for about six weeks or so in the middle of construction work, in the middle of the redevelopment of that project. Despite the advice of the honourable members for St. George North and St. Thomas and all of them, the honourable member for

St. Peter decided that that place had to be opened, and that resulted in increased costs for the *refurbishment (to be confirmed)* of Harrison's Cave and the additional time that it has taken to get it going. So let us admit that.

And in that rush, as the honourable member for St. Thomas would have indicated to me previously, Harrison's Cave only netted gross \$314 000 *(to be confirmed)*, which is much more than World Cup Cricket 2007 netted ... *(unclear; to be confirmed)*. The issue of sustaining it, Mr. Chairman, is clear evidence that this Government has not been reckless in its expenditure and projects. We certainly determined that we had to continue and complete some things that were done before.

Likewise, the honourable member for St. George North keeps talking about Harrison's Cave being a Barbados Labour Party project. The history there is clear. You do not write the history books; I do not; but we all know that a Swedish explorer, *Sorensen (to be confirmed)*, I think his name was, along with a Barbadian explorer, back in the 1970s, would have been the ones who explored and pretty much located the Harrison's Cave, the *stalactites (to be confirmed)*, stalagmites and whatnot. The fact that it was developed and finally opened in 1981 is nothing for anybody on the Opposition benches to beat their chest about.

Mr. Chairman, I worked at Harrison's Cave back in 1992 to the first part of 1993. I was the officer in charge for a short time there. I worked at the National Conservation Commission and was assigned to Harrison's Cave for a few months as the officer in charge, and therefore I feel a sense of bond to that particular facility. It has certainly endured some turmoil over the years, but certainly I reflect back on those days when the average monthly visitors to the cave numbered some 11 000 to 12 000, and we did reasonably well at that point in time. Change has happened, and I am not knocking the changes that have taken place in terms of development work. One can argue that there may have been some errors made in the planning for it, and in the marketing strategy that was employed then, and certainly now, to get it back up to level. But the point remains that as the Government we have accepted that Caves of Barbados Limited, Harrison's Cave in particular, is an integral part of our tourist product in Barbados, and we have to maintain that facility as far as possible.

The honourable member for St. George North spoke about the changes in chairmanship and management at Caves of Barbados Limited and their impact upon the institution. And I know that with elections pending, you are going to hear all sorts of accusations. I am sure the Minister will respond to that, or perhaps will address that matter. But it certainly is an issue on which, in principle, the honourable member for St. George North should not tread, or should tread cautiously, because of the history, including

your termination of the four managers at the Queen Elizabeth Hospital several years ago. So the honourable member for St. George North would be well advised, in his quest to play politics, to *tackle (to be confirmed)* Caves of Barbados Limited and the management there, not to go down the line in terms of change of boards, et cetera. It is quite relevant to what we are doing here today, Mr. Chairman.

So this \$851 000 *(to be confirmed)*, which is going towards the settling of the overdraft facility, and converting to a loan that has been used already for operation-related expenditure, is something to be admired and supported. Mr. Chairman, just quickly - I am not going to spend much time on this; there are other matters we want to get on to today as well - but let me just say that, looking forward in terms of the role of Harrison's Cave and Caves of Barbados Limited, we as the Government will continue to strive to ensure the highest level of governance of that body corporate called Caves of Barbados Limited. That is why I am sure the Minister has already insisted on the reporting, the financial reporting mechanisms that are to be employed, and the best possible human resource management strategies.

And above all, of utmost importance as well is the marketing plan that has to pull that institution to the level where it is a self-financing entity. I believe that was a cardinal failure on the part of the Barbados Labour Party in their quest to address and redevelop Harrison's Cave - perhaps to earn some income for some of their supporters - and they did not pay attention to how we make Harrison's Cave a self-financing entity and not a drain on the taxpayers of Barbados. And that is the matter on which the Minister of the Environment and his team and the board of Caves of Barbados Limited are working studiously.

We have to continue to find ways of linking it, for example, with other tourist products. I am certainly recognising that the honourable member for St. Lucy has also been driving towards the further development of the northern part of the Island and the centre of the Island into eco-friendly tourist products. I think that that is something which I must commend, when I reflect on our efforts, and the efforts and successes, I should say, of the honourable member for St. Michael South Central as Minister of Tourism, not just to bring increased numbers there from diverse markets, but also to breathe new life into our tourist product. We must commend our efforts on both sides, Government and the private sector, to find new avenues or new areas for our tourists, and locals as well, to explore. And I recognise and salute and highly commend what has been happening in terms of eco-friendly tourism in Barbados. We are not seeking to destroy the environment. We are really making the best use of what God has given us in this blessed Island of Barbados.

So Caves of Barbados Limited, Harrison's Cave and the nature walk that has been developed there now are certainly in keeping with the drive of the Ministry of the Environment and Drainage to make Barbados very environmentally friendly. I heard the honourable member for St. George North talk about garbage collection, et cetera, around the country. I mean, the truth of the matter is that this Administration has done very well in these circumstances in terms of solid waste management, garbage management, disposal, collection, et cetera. But we cannot escape the fact that Barbadians, as individuals, in their own domain, their own sphere, have to do more to manage this situation better, and not just feel that you can dump garbage anywhere and everywhere in this country. It has a serious impact upon each and every one of us.

So do not just come into Parliament and seek to castigate the Minister of the Environment or the SSA or whoever over the matter. There is some reprehensible behaviour on the part of some Barbadians that cannot be supported. We will continue to ensure that her gullies, watercourses and natural habitat are kept as clean as possible for all to enjoy: for those who opt to spend thousands of dollars to travel to Barbados to see her natural habitat, and for those Barbadians, especially young people, whom I wish would come away from the concrete jungle and venture inland into St. Thomas, St. Lucy, St. Joseph and other parts of the Island, and see the natural environment and habitat Barbados has to offer.

So, Mr. Chairman, in closing, I fully support this bill before us today. I am satisfied that the money has been put to good use, and that it is financially prudent for the Minister and his officers at the caves to ensure that we move away from a high overdraft facility towards a loan payable in three tranches. And I believe that Parliament must give full support to this bill before us today. Thank you.

Mr. CHAIRMAN: Honourable member for the City of Bridgetown.

Hon. P. M. T. TODD: Mr. Chairman, I rise to give support to this supplementary resolution, and in my brief intervention I would wish to congratulate this Administration and this Minister of the Environment, the honourable member for Christ Church East, for steering the ship of state in a very responsible manner with regard to the management of the redevelopment of Harrison's Cave. So I was rather surprised to hear the honourable member for St. George North suggest that this Administration has not paid much attention or interest to the completion of the redevelopment project at Harrison's Cave, because nothing could be further from the truth, Mr. Chairman.

It was this Administration, this Democratic Labour Party Administration, since assuming office, that actually

rearranged governance in our country in terms of Cabinet Government, to the extent that the late Prime Minister - God rest him in his grave - David John Howard Thompson, as Prime Minister, initiated an adjustment to the Cabinet system such that standing committees of the Cabinet were set up. One of them is called the Infrastructure Committee, headed by the member in the other place, Mr. Chairman, and comprising other members of the Cabinet, with senior civil servants as resource persons, which meets regularly, oftentimes fortnightly, engaging in discussions with civil servants and other interested parties in our country on particular matters. There is the Infrastructure Committee; there is another committee, Economic Policy; and this honourable member serves on the Social Policy Committee of the Cabinet.

These committees of the Cabinet work in terms of engaging these stakeholders, so that the Cabinet as a whole is well informed in terms of the progress of particular projects. And the point I am making, Mr. Chairman, is that the Harrison's Cave redevelopment project came within the purview of the Infrastructure Committee of the Cabinet, and board members, Ministers, senior members of the management and other interested parties would have had to report progress to this committee of the Cabinet in detail on a regular basis, where targets were set and progress reports had to be submitted. This was done, and it gave rise to the completion of the project as we see it today.

Mr. Chairman, this honourable member was at the reopening, and we were very fair. We invited the honourable member for St. Thomas as MP for the area, and that honourable member attended, and we saw the wonderful work done there. Nowadays, Mr. Chairman, you hear of entertainment events being held there, again being innovative, to ensure that the sources of revenue coming in are diversified, making the project, the cave project, very financially viable, Mr. Chairman. So this Administration has been very serious about preserving the integrity of this *eighth (to be confirmed)* wonder of the world, as it were, which is a treasure, unique really. There are few such natural caves around the world commercially exploited as we have it in terms of tourism. And do not forget the local persons who can view this very important act of nature.

These stalactites and stalagmites, Mr. Chairman, take hundreds of years to form through the natural dripping of the water through the limestone formation that makes up most of our landmass. Many of the islands in the Eastern Caribbean are volcanic, Mr. Chairman, but we are a calcium carbonate-based limestone formation in the main, of course excluding the Scotland District, which is more clay. Therefore, Mr. Chairman, we must ensure that tourists and locals alike who visit the cave do not indiscriminately break off any of these stalactites or stalagmites as souvenirs because, as I said, they take hundreds of years to form as the water drips through the subsurface and the calcium

carbonate solidifies, forming these stalactites and stalagmites.

And therefore, Mr. Chairman, we must be very responsible, and I know the honourable member for St. Thomas is aware that this is a very delicate ecosystem. As spectacular as it is, if we are not responsible we can lose this treasure permanently, Mr. Chairman, because we know that we cannot allow people to have pig pens immediately above the Great Hall and the other chambers of the cave, because that organic effluent would obviously ooze down into the cave, and you can get staining of the same and actually erosion of these natural forms. So that is a very delicate ecosystem.

And I know the people of Allen View and surrounding districts appreciate it, because the people of Allen View are no strangers to the Democratic Labour Party. They traditionally support the Democratic Labour Party. I remember your humble servant as campaign manager for a candidate back in 1994 in the St. Joseph general election. Allen View was actually part of St. Joseph rather than St. Thomas; they voted in St. Joseph, and it is only the gerrymandering of the Barbados Labour Party when they were in office that took it out of St. Joseph, trying to strengthen their MP in St. Joseph, because we know St. Joseph is a very marginal seat. But that will not stop the honourable member for St. Joseph from retiring from Parliament at the end of this term, when our candidate defeats him at the polls.

So, Mr. Chairman, as I said, I would have visited each house in Allen View, and I know that they love the Democratic Labour Party, and we, the Democratic Labour Party, love them tremendously, Mr. Chairman. They appreciate that any sacrifices they make in terms of ensuring that the integrity of Harrison's Cave is not in any way compromised are appreciated nationally, Mr. Chairman, and their interests would obviously be seen as a priority by this Administration. So, Mr. Chairman, I am saying that this Administration has nothing to be ashamed of in terms of our work at Harrison's Cave.

And in fact, Mr. Chairman, I remind the House - and I remember hearing it myself, thanks to the fact that these debates are carried live on 100.7 FM; I was not in the House at that time, when the Barbados Labour Party was in office prior to the 2008 general election - that the then Barbados Labour Party Minister responsible for the environment, in piloting matters in this House dealing with Harrison's Cave, said publicly - because this humble servant heard it live on radio - told the nation, told this Parliament, that one reason why the Harrison's Cave project was so expensive and had so many cost overruns is that that Barbados Labour Party Administration took the decision to purchase the trams that carry the patrons, the visitors to the Harrison's Cave, and purchased those trams

at *exorbitant (to be confirmed)* prices, one tram costing hundreds of thousands of dollars.

Mr. Chairman, do you know why? Because that Barbados Labour Party Administration, prior to the last election, when they held the reins of office, decided that in buying those trams, the contract was such that they had to pay so much money so that they would have the patent, the right to be able to manufacture those trams commercially; as if Barbados realistically, in any near future, would be interested in or in a position actually to manufacture trams for export around the world. All we needed to do was buy a few of them and have the necessary maintenance contract, and we would have gotten the price of each tram much lower. But that was the incompetence of the Barbados Labour Party Administration. So they should really sit back and take note. And that is why they are in Opposition, because the public was fed up with those tremendous cost overruns, and we sent them out of office, and long shall they remain in Opposition, Mr. Chairman.

And, Mr. Chairman, as I conclude, the honourable member for St. Thomas, as others on that side, continues to heap ridicule on this Administration in terms of the tremendous investment we have placed, without apologies from our side, in the David Thompson Memorial Constituency Council Football Classic. Mr. Chairman, what is wrong with investing in this tournament, where we have empowered young men from St. Thomas? Yes, the honourable member for Christ Church East Central is correct. The honourable member for St. Thomas should tell the nation that that honourable member was at the finals at Kensington Oval, because I was there next to her at the time. Mr. Chairman, *last (to be confirmed)* -

Miss C. Y. FORDE: — to make that point. This is the second time in the last three weeks for me. It is a matter of protocol. If an individual from this honourable Chamber is invited to a Government function, whether that honourable member chooses to attend or not, protocol dictates that the member is there. I did attend the function. St. Thomas was in the final the year before last. I did attend, and I wish to attend any other function, Mr. Chairman, that I am invited to, if I so desire. The other member and his team criticised Kensington Oval, and they even used it for the very swearing-in of this Democratic Labour Party as a Government in 2008. So therefore, where is the balance, and why do they talk all the time? I wish the honourable member would stop focusing on me and focus on the City. The City needs to see him. Leave me alone.

Hon. P. M. T. TODD: Mr. Chairman, yes, I am focusing on the City, Mr. Chairman, because *the City of Bridgetown team (to be confirmed)* were champions last year and the year before, and those lads are thanking the Democratic Labour Party for investing in them. They had a merry Christmas in 2012 and the year before, thanks to the

David Thompson Memorial Constituency Classic, because they were able, through the earnings from the prize monies, to buy ham and turkey for their families and gifts for their children. You understand, Mr. Chairman? Thanks to the Democratic Labour Party; not to mention, Mr. Chairman, the vendors. I am talking about *Ms. White (to be confirmed)* in *Westbury (to be confirmed)*, *Bruce, Mary (to be confirmed)*, all of these shopkeepers who were able to earn money legitimately because we had matches placed at *Westbury School pasture (to be confirmed)*, Mr. Chairman: economic enfranchisement, empowerment of the masses through our micro-enterprise approaches to empowering small business persons, Mr. Chairman.

So I am saying, Mr. Chairman, I am happy the honourable member for St. Thomas came, but I am saying one should not be hypocritical. I am saying that if this honourable member does not support something, I am not going to go anywhere near it. So it is clear from the actions of the honourable member for St. Thomas that she, through her own conscience, supported the David Thompson tournament. That is why she was there, and we appreciate that, Mr. Chairman. So one should be consistent and not seek to criticise for criticising's sake. We must put Barbados first and stop being so polarised in terms of narrow partisan political interest. If something is good, be man or woman enough to thank this Administration for empowering the masses of our country. That money in the David Thompson tournament was well spent, Mr. Chairman, and this Administration makes no apologies for it, Mr. Chairman. I know that my time is up, so I would wish to congratulate this Administration for being serious about empowering the masses of our country, and long shall we remain in office. I thank you.

Mr. CHAIRMAN: Honourable member for Christ Church East Central.

Hon. R. D. JONES: Thank you very much, Mr. Chairman. I do not intend to be long on this particular matter. Just like all other honourable members, I would wish all honourable members the best for 2013. And even though we will be engaged in the fight, or should I say the battle, over the next few weeks, I would hope that we will retain our decency and our dignity in this battle for the hearts and minds and, obviously, the vote of the people of Barbados. The resolution before us, particularly the one which deals with Head 73, the Ministry of the Environment and Drainage, is asking for \$851 245 to make the first of three quarterly payments of a short-term loan.

It is known that from time to time various institutions of the State, just like institutions of the private sector, have to go to financial institutions to get either short-term or long-term support for their various projects and to implement their various policies. This supplementary is geared to meet the first of three quarterly

payments of a short-term loan. We know that under the previous Government a major loan was entered into with the Caribbean Development Bank for the redevelopment of Harrison's Cave, and it is not a criticism that I am going to make relative to getting loans to expand, to develop, to refurbish any existing structure in Barbados.

In fact, Mr. Chairman, when one considers the Harrison's Cave, one can almost join that to the natural - I call it a natural wonder of the world. When one looks across the Caribbean, you would have the Grand Etang in Grenada, the Kaieteur Falls in Guyana, the Pitons in St. Lucia, the Cockpit Country and *the Green Grotto (to be confirmed)* in Jamaica, and the Pitch Lake at La Brea. We have our own Animal Flower Cave, which is crying out for some refurbishment, because that was also, previous to the coming of Harrison's Cave, an area of significant interest in Barbados, and it needs some redevelopment. These are all natural, God-made, environment-made wonders of the Caribbean.

And then one encounters the one in which Barbadians paid in sweat, blood and death: the Panama Canal, which can also be considered a man-made wonder of the world. I am linking that because Barbadians in the thousands - first when it was being developed by the French, and then, after it was abandoned, when it was developed by the Americans - some of them family to many of us now, paid with their lives. But that man-made wonder of the world has allowed both goods and people to move from the Pacific to the Atlantic, thus eliminating weeks and weeks of journey to connect persons in the world.

We are quite familiar with the Seven Wonders of the World, many of them made by man; these were made by nature. The Colossus of Rhodes; the Great Pyramid of Giza - some have speculated that the Great Pyramid of Giza and all the pyramids found in Africa and in Central America were in fact not necessarily made by man, but inspired by beings from another realm. That is a discussion that the honourable member for St. James North and I would enter into at another time, as we explore the deep spiritual connections and the arguments that we are not alone on the face of the great world that we exist in. The Hanging Gardens of Babylon, the Lighthouse of Alexandria, the Mausoleum at Halicarnassus, the Statue of Zeus at Olympia and the Temple of Artemis at Ephesus.

All of these, Mr. Chairman, add to our connections with the world. And sometimes we only take them within the realm of the conscious, that is, in the realm of the mind. But there is also a spiritual connection that one gets when one interfaces with *man's work and nature's acts (to be confirmed)*, when one observes the mighty hand of God and the mighty hand of man. And in an instance such as the Harrison's Cave, there is a combination of the mighty hand

of God and the mighty hand of man - man's hand to further enhance the work of God's hand. Therefore we as a people have to preserve that which has been given by God, that which has been given by nature, and that which has been embellished by man.

And therefore the spending to repay a short-term loan of \$851 000 to the financial agency that has provided it should be met and must be met, because Barbados has always met its commitments, either to the domestic financial sector or to the international financial sector. We have never, ever defaulted on a loan. And may it remain so, because it lends to the pride of our people that as a small nation with scarce resources we have never, and I hope we will never, default on a loan. And this is not about repaying friends.

I know we are in the season which people call the silly season. I do not subscribe to that. And I would want to urge the honourable member for St. George North, in his wide, sweeping statements, that he would sometimes take time to think before he makes such statements. It is all well and good to take up your wash pan with your dirty water and, whoever passes, you throw it out. But in doing so, you also splash that water on yourself. You also splash that water on yourself. And the people deserve so much better than sometimes what we give to them.

Not reflecting, we only recently, Mr. Chairman, considered the legislation which dealt with anti-corruption - but I am not reflecting. There is going to be integrity legislation again, and all of that. Let us improve how we represent our people and how we add our voices collectively and collaboratively to the enlightenment of our people. That is what is necessary, and that is what is needed. And I am sure that the honourable member for St. Thomas will agree with that statement, and so simply support this supplementary of \$851 245. And I am sure the honourable member for St. Lucy will tell me what percentage of our gross domestic product that is. Let us say, for argument's sake, that our gross domestic product is \$8 billion. This \$851 245 will be 0.1 of that, 0.1 of our gross domestic product.

We need, Mr. Chairman, to value what we have. We need to value, one, the collective intellect of our people. We need to value, two, the collective production of our people. We need to value the assets, man-made and made by nature, of our people, because collectively that gives us life, that gives us energy. When a tourist or visitor gets off one of the planes - including those negotiated by the honourable member for St. Michael South Central - and says to a taxi driver or a friend, "My next trip is to Harrison's Cave", we should be able to say to them, "This cave was explored by a Barbadian and a Norwegian (*to be confirmed*), whatever his name is, Olsen (*to be confirmed*)", and to take them and say, "Well, you know, I

will be coming for you tomorrow morning to take you to that cave", because it adds to his livelihood. It adds to a presentation of Barbados to all *in century (to be confirmed)* who themselves have seen other wonders of the world. But because this wonder of the world is so unique, word of it will have been spread by many visitors across the world, and they come to see it. They come to explore it.

There have been mistakes made, not only at Harrison's Cave, and the honourable member for the City has spoken to that. We know the history of these things. We know the history of the tram. We know the history of the significant cost expansion - I have changed that from "overruns" to "cost expansion" occasioned by the redevelopment of Harrison's Cave. \$84 million is not a mere drop in the bucket, but it has been spent, and therefore we must do everything to maximise the potential of Harrison's Cave. We need more ancillary services attached to Harrison's Cave. We need more of the indigenous people of St. Thomas having the ability to ply their wares around the streets of Harrison's Cave. We need the restaurant at Harrison's Cave active, as has been spoken to by one of the honourable members. There was something wrong with its design. I do not know; I am not an architect.

I know that when I am hungry, I look to eat. And if I am travelling along that highway and there is somebody, one of the good people of St. Thomas, Mr. Chairman, selling an *id (to be confirmed)*, whatever that is, or a piece of roast breadfruit, or some dolphin, or some jacks, with the roasted breadfruit - yeah - along the course, then I would so partake. I would eat that breadfruit and those jacks prepared by the good people of St. Thomas. The jacks - it is not the jacks that you get *tons of (to be confirmed)*, sold by the bucket, down where *the supermarket (to be confirmed)* is. Any day you pass up there, you can go and buy some, \$15 for a whole bucket. They take time to clean, but they are quite tasty.

So I am saying, and I agree with the honourable member for St. Lucy, that in the development of these projects there must be room for entrepreneurial activity by the citizens in those areas. As one goes into St. Philip - the honourable member speaks of community tourism - but it is even more than community tourism. It is Barbadians moving across their own landscape to socialise and to mix with each other; so that St. Philip does not feel that it should become a republic, or St. Lucy does not feel that it should become a republic, but they see themselves as part of the Barbadian space. *Regardless of f (unclear; to be confirmed)* - he speaks slightly differently - regardless of f. Unlike the member for St. George North, who cannot get his brain into the correct gear.

All of that is so that we are all Barbadians working together, sharing together, feeling the pains of each other,

and working for the benefit of all Barbadians. This does not need to be a political divide in relation to these few cents being called for in a supplementary to support the Harrison's Cave project. Let us enjoy our country. Let us share our country with others. And let us talk as political leaders and persons in governance. Stop wasting true debate, and going into salacious commentary like the member for St. George North is trying to do. This resolution has my fullest and wholehearted support. Mr. Chairman, I thank you.

Mr. CHAIRMAN: Honourable member for Christ Church East.

Dr. the Hon. D. S. LOWE: Thank you, Mr. Chairman. Mr. Chairman, I rise to bring to a conclusion this discussion on this money resolution on Head 73 for the Ministry of the Environment and Drainage, seeking the sum of \$851 245, which is required for the first payment of three on a loan which has resulted from the conversion of an overdraft facility into a loan to control the interest, et cetera. I want to thank all honourable members for their contributions. I believe that the discourse on this particular resolution has given us an opportunity to look at a number of issues and to explore some wonderful ideas, especially from my colleagues, on how we can go forward and how we can make this invaluable product of this great country work for all Barbadians.

One member mentioned the fact that this discussion was really about development; not so much about \$851 000-plus, but about development, about how this Government views its assets, the assets of this country, and how it sees itself mobilising these assets to continue to give rise to a higher quality of life, not only for Barbadians, but for all persons who from time to time have reason to be part and parcel of our community. And, Mr. Chairman, I really believe that the Harrison's Caves represent the truest symbol of our country's commitment to driving what we call the green economy, by creating products and services of all types that reflect our commitment to enhancing our environment, to building our economy and to solidifying our society as a nation.

As I said before, and I am not afraid to say it, a country's development is not about one person or one idea. It is about the collection of ideas, the mobilisation of those ideas, and it is about the inclusion of all, as they bring to the table their views that can lend to the building out of those national development concepts. We believe that the Harrison's Caves is a prime example of how a small island developing state can take an asset that is deeply rooted in good environmental management and governance, that has a strong economic component, but that also builds into its space the need to continue to guard the social welfare and the social well-being of all those persons touched by that particular development.

Yes, I have already acceded to the fact that there are still challenges there; challenges that we inherited, but challenges that are not unexpected when trying to manage an environmental space that is as eco-sensitive as the Harrison's Caves. That is one of the perils that you face in terms of physical and civil works when you move forward in a redevelopment programme and you are dealing with a space as geologically sensitive as the Harrison's Caves. In other words, you cannot move in a bulldozer and decide you are going to do excavations and clear off sites. You just cannot rip people out and decide you are going to move them out because they may be in the way. You have to treat these issues with a certain level of sensitivity, to ensure that there is no dislocation in the end.

The people who are affected by this whole product are persons who deserve our most sincere thoughts, and people who deserve our most sensitive actions in terms of moving forward. But I assure this honourable Chamber that the Ministry of the Environment, the Ministry of Housing and the Ministry of Public Works, as we work together to build out the final stages of our redevelopment programme, will continue to work hand in hand with the residents of the precincts of the Harrison's Caves to ensure that the best possible outcome comes about. And it is important - it is important because development must never supplant the interests of the people. It does not matter what the pursuit of that development is. At the end of the day, if people's rights and people's right to a high quality of life are being disrupted, or they are being disadvantaged, then that development is not worth it. And we believe that we have taken the right approach to ensure that those standards, those rules and those expectations are met.

As far as the restaurant is concerned, that has been a point of discussion. Let me just say for the record that two announcements were sent out for the tendering of the restaurant services. On the first occasion, it was put in the public domain and there was no response. On the second occasion, there was one response. The major challenge is that the Harrison's Caves, like any other enterprise in any other country, has also been touched by the global economic crisis, because we get the major part of our business from visitor arrivals to Barbados. And yes, I give great credit to our Minister of Tourism, who has been doing an outstanding job. But the fact remains, Mr. Chairman, that there are still those challenges that we face, and that there is a lesser number of tourists that we have to work with at the caves than we would have worked with ten years ago.

But I will say this: the greatest challenge has been the disruption caused by the redevelopment, especially when the caves were unadvisedly reopened for the Cricket World Cup. We are going to go past that. That is not something that we are going to gripe over. It was the decision taken. It may not have been the best decision, but

it was a decision taken, and we have gone past that, Mr. Chairman. What is important now is that we have to continue to build our infrastructure, not only in terms of the physical development and so on, but in terms of our techniques, in terms of our approaches to bring more traffic through the caves.

And there has been - there has been a gradual improvement in the numbers of visitors coming to the caves over the last several years. There has been. So to say that there is this visitor decline is not a direct reflection of the reality. The reality, in terms of our records, does tell us that the management, the board and the staff of the Harrison's Caves, who have been doing such a fantastic job, have been working against some odds to ensure that the business of this enterprise continues to grow and continues to move forward. We have put a massive plan in place for the upgrading of management, for the upgrading of the general worker population in terms of skills and competencies, and of the technical staff, and we have even incorporated the residents as part of our development plan in terms of the people.

And by the way, Mr. Chairman, there has been no departure from the agreed-upon plan for development at the Harrison's Caves, because the lending institution had to agree to the plan, and any adjustments to the plan would have to come with the blessing of the lending institution. What we have been doing is working as assiduously as we can to ensure that all of the components of the redevelopment are achieved without any damage to the property, without any disruption to the community, and certainly with the maximum utilisation of our growth opportunities. That is all we have been trying to do.

And yes, there have been changes since I have been the Minister responsible for the Harrison's Caves. One chairman voluntarily resigned. I heard it said that he was asked to leave. It is rubbish. He voluntarily resigned. And after you resign, you do not go about complaining that you resigned. You resign and you move on. And that is what we have done. We have moved on. And I am satisfied that every single person who would have passed through the Harrison's Caves, as a visitor or an employee, has been treated with the highest level of respect and regard. That will continue to be the case, because of the management that is there now.

When I got there, we found - as a matter of fact, I will say this for the record - that there were those who felt that we should have changed the head of the Harrison's Caves, because there were persons who, they said, were more loyal to the Barbados Labour Party than to the Democratic Labour Party. And I said, "No, it will not happen under my watch." Because I am of the view that as a Barbadian citizen, if you are capable of delivering on any single task you have been given, you should be given the

chance to deliver. I believe that. And I do not pay all the chatter any mind. Well, the *nimbles (to be confirmed)* are out, so let them move around. They make you uncomfortable.

But let me say this, let me say this: I believe that it is important that we say to this Chamber, for the record, that the Government of this Democratic Labour Party has done more than could have been expected under the circumstances to keep this enterprise going forward. It is still the best in the region. It is still the most alluring product that we have in our tourism network. And we believe that our commitment is firm as it relates to moving forward in that regard. The other things that may have been said I consider to have been answered. And therefore, Mr. Chairman, I once again ask that this Head stand part. I beg to move.

The question that Head 73 stand part was put and resolved in the affirmative without division.

On the motion of Hon. J. D. E. BOYCE, Mr. Chairman reported to His Honour, the SPEAKER, the passing of one Resolution in Committee of Supply and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. J. D. E. BOYCE, the Resolution was read a first and a second time and agreed to.

SUSPENSION

Hon. J. D. E. BOYCE: Mr. Speaker, I beg to move that this House be suspended for lunch until 2.30 p.m.

The question that the House be suspended until 2.30 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the House accordingly.

RESUMPTION

Mr. SPEAKER: Honourable Members, the sitting of this House is resumed. Honourable Member for St. James Central.

FOUNDATIONS BILL, 2012

Hon. E. G. HUTSON: Thank you, Mr. Speaker. The foundation's legislation, Mr. Speaker, is designed to address some of the marketing challenges that we've had in our international business sector. Mr. Speaker, the international business sector in Barbados over the past four and a half years has had to face a number of challenges, and that is not unusual for that particular sector. The sector has, over the years, had to defend itself from challenges by first world countries. And in more recent times, as I said,

our challenge from the G20 through the mechanism of the global forum has presented challenges not only for Barbados as a small financial centre in the world, but for financial centres across the globe. And this, Mr. Speaker, to some extent has been one of the impacts of the global recession. First world G20 countries have blamed the international financial centres across the globe for the erosion of their tax base and has tried to put the recession in their countries at the foot of international financial centres across the globe. So we've had to deal with those challenges. As I said, from the global forum, we have had to deal with - in fact, Barbados is now in the second phase of the global forum exercise, which we have to demonstrate to our peers within the global forum of our ability to be able to exchange information for tax purposes in a practical way. Phase one of that global forum exercise evaluated the legislative environment in Barbados to ensure that our legislation was such that would facilitate the exchange of information. And our phase two assessment will now actually do that evaluation in a practical way.

Mr. Speaker, the Government is proceeding with positioning our systems such that the phase two assessment, which is scheduled for March, will be successfully managed. So we are actively at this time working on that. We have also had the challenge, Mr. Speaker, over that four-year period of dealing with the question of TIEAs, which is tax information exchange agreements, and trying to manage through that particular situation. In more recent times, we've had to deal with FATCA, which is the Foreign Account Tax Compliance Act of the US, and that particular legislation which has been signed by the Obama administration back in 2010, seeks to allow the US Inland Revenue to be able to tax entities and US citizens from income on their assets, which are generated from what they refer to as US source income. Many of the financial institutions in Barbados, as well as across the globe, are threatened by this particular piece of legislation. And we are working closely with our consultants to craft a solution to that particular challenge as presented by this most recent type of legislation from the US. And we're actively - as I said, we've structured a committee involving our consultants, members of Invest Barbados, the Central Bank and Financial Services Commission, members of the international business sector to try to craft a response to the FATCA legislation. And we're looking pretty much at trying to negotiate some intergovernmental agreement between the US and Barbados. But this, as I said, Mr. Speaker, is another challenge on the international financial centres across the globe and not something that is necessarily where somebody is targeting Barbados or anything else like that. It's just one of the challenges that the sector has faced or is facing.

Mr. Speaker, the signature by the Canadian Government of TIEAs - tax information exchange

agreements - with countries which are zero tax jurisdictions has eroded the advantage that Barbados had with Canada. Our international business sector over the years has been developed primarily around investment from our Canadian partners. The previous administration failed, Mr. Speaker, to expand the base for our business, for our international business, so that we find that most of the business within the international sector is based on the advantage that we had with the Canadians. This Government has sought, given the challenges, to try to diversify our marketing strategies to focus on jurisdictions outside of the traditional jurisdictions. We've tried to focus on investment opportunities with countries in Latin America, Mexico and so on. We've tried to position ourselves such that investment flows from the Latin American and South American markets, that we will position Barbados to be able to benefit from investment flows in and out of those countries.

Mr. Speaker, we have also tried within the international business sector to address a number of the issues that faced the sector as we took responsibility back in 2009. We have addressed some of the challenges presented from the immigration challenges in terms of work permits, and generally tried to address the business facilitation issues that exist within the sector. We've tried, Mr. Speaker - well, as all members in this chamber know, one of the advantages that Barbados has leveraged over the years in the international business sector is our quality of life here in Barbados. We have been able over the years to develop an environment where persons visiting Barbados, that is for business reasons or for leisure, have more or less fallen in love with Barbados. Mr. Speaker, our environment, our physical environment, in terms of the weather, the lovely beaches, the golf courses and the various attractions all add to that quality of life, the social environment and the personal security for persons visiting Barbados. People of high net worth have a sense of security when they visit Barbados. So Barbados has over the years hosted prime ministers and other socialites from across the globe. Very often we see them in the news media - Santana on the beach without a lot of security and so on. And that has endeared Barbados to persons of that nature over the years. Our education system, Mr. Speaker, has also facilitated the development of our international business sector because persons who set up business in Barbados are able, Mr. Speaker, to get their kids into schools. Barbados' education system is one of the best in the world and persons - family people doing international business - have sought to take advantage of that particular environment. Our health system, Mr. Speaker, access to health care at an international standard, the ease of access, Mr. Speaker, to the major jurisdictions in the world for business - London, Toronto, New York. Mr. Speaker, all these are advantages that people doing business in Barbados have taken into consideration over the years in making that investment. The ease of telecommunications, Mr. Speaker, and the list

goes on. Not, of course, to mention the fact that there are a number of competent business professionals who are in Barbados who have demonstrated competencies over the years to service the needs of our international business clients.

So in a nutshell, Mr. Speaker, Barbados works - if we can put it into just one phrase. I think the phrase "Barbados works" is a description of the type of expectations of business people in international business, people doing business in Barbados. Mr. Speaker, as a country then with very limited natural resources, we need to be able to leverage whatever assets we have, and if the quality of lifestyle is an asset, then there is no reason why we should not be leveraging that particular asset. So Mr. Speaker, when we look at this legislation this evening, where we are trying to focus on developing or putting legislation in place that will facilitate high net worth individuals from across the globe investing in Barbados, we need to exploit all our linkages and business facilitation, Mr. Speaker, is one of the challenges that we have and that we are trying to address.

Only last week, Mr. Speaker, we were able to host an international yachting race, the Panerai Transatlantic race, a classic race for classic yachts. And one of the - having interacted with a number of the owners of those vessels and a number of people participating in that particular race, Mr. Speaker, the fact that they were able to get their vessels, having completed the race, into the berthing facilities that we have at the inner basin almost immediately - they were very complimentary of the work done by port health, by customs and immigration, and by the port, of course, for the engineering department in the port that had responsibility for the lift of the swing bridge. And I made reference to that, Mr. Speaker, because of the importance of this business facilitation to persons in the international business sector. And these men were very complimentary of that quality of service that we had. And I would want to take this opportunity to certainly go on record as commending those departments of Government involved with facilitating that business. So the international business sector, Mr. Speaker, extends to that facilitation so that when persons doing business in Barbados come in through the airport, primarily through our airport, that they can be easily facilitated, and we need to work on that. Persons that are setting up companies and so on in Barbados need to be able to have them facilitated through the Department of Corporate Affairs and turning around the speed at which they can incorporate their businesses and so on. So these are the challenges facing the sector, Mr. Speaker. And this legislation, which is geared at persons with high net worth, should be able to benefit from those particular initiatives.

Mr. Speaker, the foundation's legislation - Mr. Speaker, we are exploring or putting in place

developmental mechanisms to encourage persons with wealth and asset management. One such mechanism was the private trust legislation that we passed in this Honourable Chamber probably about a month ago. This foundation legislation is being developed, or has been developed, in civil law jurisdictions. Most of the legislation that we have here in Barbados as a common law jurisdiction is such that research has shown that persons in the civil law jurisdictions are uncomfortable with using the vehicles that we have within the common law environment. And so this legislation, as well as the private trust legislation, have been carved out and designed to facilitate and to give comfort to those persons from civil law jurisdictions so that those persons will have a facility for managing their assets.

Mr. Speaker, the key parts of this - the foundation highlights, so to speak - of a foundation, is that it creates a mechanism for the transfer of ownership by people from civil law jurisdictions into a separate legal entity, while being able to at the same time exercise significant control over how the asset is managed and controlled. As I said, we expect that the availability of this legislation here in Barbados will make Barbados a more attractive jurisdiction for persons from civil law jurisdictions and for high net worth individuals. The foundation is a registered entity with the same capacity, rights and privileges as a natural person or, in our common law jurisdiction, very similar to a company, so it can be sued or it can sue in its own right. Assets placed in the foundation, Mr. Speaker, will be solely owned by the foundation and not by the designated beneficiaries of the foundation.

The legislation, Mr. Speaker, provides a number of descriptions. Between clause one and four of the legislation, it speaks to the various definitions within the Bill, speaks to the purposes for which the foundation is set up, and we find that we expect that most people using this vehicle will primarily want to have substantial tax benefits under it. So within section 57, Mr. Speaker, of the legislation - special application of special tax rates - and I want just to quote from this particular section. So that is section 57: one, subject to this section, in lieu of tax at the rate specified under the Income Tax Act, there shall be levied in respect of every income year of the foundation a tax on profits and gains of the foundation as the Minister responsible for Finance will prescribe. The beneficiary who is not resident in Barbados should not be subjected to income tax in Barbados on any amount distributed to him from the foundation. And notwithstanding the provisions of the Income Tax Act, any international foundation need not hold any portion of the distribution or other income paid or deemed to be paid by an international foundation to a person who is not resident in Barbados. For the purposes of the Income Tax Act, Exchange Control Act and the Successions Act, these should not apply to international foundations. A foundation is exempt from ad valorem

stamp duty except in respect of real estate situated in Barbados and shall pay a fixed duty as specified in the Scheduled Stamp Duty Act.

So, Mr. Speaker, that is a benefit to those persons who are setting up the foundation. Clause five, six, seven through clause twelve speaks to the establishment of the actual foundation. Provision is made for the procedures governing the establishment of the foundation. It makes provision for the procedures governing registration of the foundation in Barbados and speaks to the powers and obligations of the founder of the foundation. The founder, Mr. Speaker, in a common law jurisdiction is pretty much similar to the shareholders. The founder is typically the person that owns the assets in the particular jurisdiction outside of Barbados and he maintains control over the workings of the foundation together with, Mr. Speaker, the foundation council, which functions pretty much like the board of directors in a regular company. The foundation council will effectively have responsibility - and this is clause 13 through 18 of the legislation - will provide for the foundation council which shall be responsible for the management and the day-to-day operation

of the foundation. Clause 14 speaks to the duties of the foundation Council and clause 15 provides for the capacity of the councillors of a foundation council to bind the foundation. Mr. Speaker, clause 19 and 20 speaks to the guardians of the foundation, the rights and powers of the guardians and then clause 21 through 23 will speak to the maintenance of accounting records and insurance, other indemnification issues. So the foundation is required to maintain proper books of accounts and those issues are that within those particular clauses.

Mr. Speaker, clause 24 speaks to the continuation of the foundation, so it defines international, what is an international foundation? And this legislation allows for foundations which have been established in other jurisdictions to be able to migrate to Barbados and to establish themselves once they conform to the requirements of this particular piece of legislation. Clause 33 through 37, Mr. Speaker, address the issue of dissolution of foundations and clause 38 through 40 will speak to any restrictions against alienation or forfeiture of benefits under the foundation.

Clause 41 through 42 speaks to the responsibilities of the Registrar of Companies who will effectively act as the registrar of foundations and provide foundations and provide operation of the staff of the Registry generally. Clause 44, Mr. Speaker, speaks to the requirement for the registrar to keep and maintain a register of foundations and calls to be entered certain particulars in relation to foundations. And that is, Mr. Speaker, one of the challenges that had been identified in some of our previous legislation where the need for the registrar and the tax

authorities to be able to access the ownership of entities registered in Barbados under the IBC Act, SRL Act and so on. So we have to make sure that degree of transparency is in the current legislation.

The other clauses, Mr. Speaker, 49 through 54 will speak to investigations which may be necessary - investigations by the court or by the registrar in the event that there is some irregularity. So those clauses speak to those issues and clause 55 through 60 speaks to various miscellaneous provisions such as the tax implications as I addressed earlier, as well as other inspection powers by the Financial Services Commission and other miscellaneous things in terms of certain offences under the Act and the powers of the minister to make regulations to give effect to the Act and to provide for the imposition of any fees and prescribed forms governing the Act.

So, Mr. Speaker, this legislation, as said, has been developed to encourage further and to position Barbados to be able to benefit from and to facilitate high net worth people looking to secure or manage their assets in jurisdictions outside of their primary area of residence. Mr. Speaker, this is one of several pieces of legislation that we have been able to pass as a government in the international business sector. I spoke to the fact that we had recently passed private trust legislation and made amendments to the International Trust Act to again facilitate the settlor of those trusts to have better control or more control over the assets that have been put into the trust, rather than lose the control of the day-to-day management of the assets.

We have enabled, Mr. Speaker, the enactment of legislation dealing with the amendments to the SRL Act, which had been outstanding for a number of years. So we have been able to get that done. We have been able to set up the Financial Services Commission, Mr. Speaker, as well as a number of changes to the money laundering legislation, so we have been quite active, Mr. Speaker. Our treaty network has been expanded substantially during the course of the last three to four years. We have signed treaties, double taxation agreements with Mexico, with Panama, with Luxembourg, Spain, Ireland, Czech Republic. We have amended - we have signed amendments or protocols to the Chinese treaty, to the Netherlands Treaty. And these are all double taxation agreements, Mr. Speaker, that have been negotiated on this administration and actually brought into force on this administration.

We have also negotiated a number of other agreements that we have signed and are waiting for them to be actually ratified. And I am thinking here of Bahrain and San Marino, which was recently signed on the 14th December of this year, the Republic of Ghana, Portugal. We have revised the United Kingdom Treaty, which was one of the first double taxation agreements that Barbados had negotiated back in the early 1980s, I believe, and we

have been able to have that treaty updated. We are in the process of updating the CARICOM double taxation agreement, which is an agreement signed - I think there are ten countries that have signed on to that double taxation agreement - and we are in the process of updating that treaty so that the tax information exchange provisions within that treaty are brought into conformity with the international standard for transparency and exchange of tax information.

Mr. Speaker, we have also had a number of evaluations done of the contribution of the international business sector to the GDP of Barbados and those recommendations within that have recently been presented to the Cabinet. We have had institutional strengthening of the international business sector and the ITPO Department and those recommendations are currently with the Ministry of the Civil Service. And we have also established an International Institute for Financial Risk and Management within an association with the UWI. And that institute is geared towards training professionals, young professionals, working in the regulatory sector not just in Barbados, but in the islands. As you know, within the international business sector, small countries like those countries within the Caribbean can often be painted with one brush and if there are any challenges within one jurisdiction, everybody tends to be branded with whatever the particular issue is. So this International Institute for Financial Risk and Regulation is key to improving the regulatory resources within the international financial sector within the whole Caribbean, particularly the eastern Caribbean, as we try to strengthen the knowledge of our regulators.

So these, Mr. Speaker, are some of the given ideas, some of the work that we have been doing within the international business unit. As I said before, our marketing has moved towards trying to develop the markets within the Latin America and South America area. We are working on treaties with Chile which are quite advanced and we expect that very shortly we will have our treaty with Chile, Colombia, and we already have our treaty with Panama. As I indicated earlier, we have been working and we have had a number of meetings with officials in Brazil to facilitate the beginning of talks with Brazil. Brazil, as you know, is one of the major economies within South America experiencing substantial growth at a time when a lot of the big economies in the world are seeing very marginal growth. And so the focus has been, as I said earlier, to try to position Barbados so that we can benefit from the work that we have done in terms of the treaties and so on that we have done with our South American and Central American neighbours.

So, Mr. Speaker, with those words I beg that this Bill be read a second time.

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

Mr. D. D. MARSHALL: Mr. Speaker, let me at the outset say to this chamber that the Barbados Labour Party will always support legislative initiatives of the government so long as they are well informed, so long as there is a sound policy basis for them and so long as the legislation itself meets certain basic criteria, consistency of message and things of that sort. We do not have a serious objection to this bill, but there are some specific issues which are policy oriented that I would wish to draw to this chamber and ask the honourable minister to give us clarification and to let us know exactly where the government is going.

I would begin though, sir, by echoing the phrase of the honourable Member for St. Thomas that she used so eloquently in a debate earlier today - that what we are seeing, sir, represents rather an action too little, too late. There is no doubt that this current administration dropped the ball in relation to the international financial services sector. If anyone needed support for that idea other than from the opposition, one only need to reflect on the words of the CEO of Invest Barbados when not long ago, sir, he said that since 2008 this administration lost out on approximately one billion U.S. dollars of investment and 2 500 jobs. Those are not the words of any opposition spokesperson. The time frame that he was relating his speech to is post-2008 and not during the Barbados Labour Party administration.

One can look to, sir, the recent estimates - well, the estimates last year and the year before - which showed that in the year 2010, I think it was the financial year 2009 to 2010, the sum of \$14 million Barbados dollars was voted for Invest Barbados and not a penny of it was spent. Sir, you only have to consider the fact that there has been a migration of significant players in our financial services sector out of Barbados and into other domiciles such as Bermuda and Cayman Islands. You can also look at the evidentiary support from the government finances because the revenue that would traditionally be received by government from the financial services sector in terms of corporation tax is now significantly diminished over the years.

So what we have is an effort, six weeks before this government's political mandate will expire, to bring to parliament a piece of legislation in the vain and idle hope that somehow, somehow it could be part of some miraculous effort to save the financial services sector in Barbados.

Mr. Speaker, it is interesting that the minister would talk about negotiating double taxation treaties. I am, I suppose, privileged to be able to respond on behalf of the

opposition on this particular bill because it is a sector that I had responsibility for at a previous time. And I can say, sir, that when we were negotiating double taxation treaties, we were negotiating them in the context of what services and what products Barbados had available and could provide if there were not at the time available to the countries with which we were negotiating treaties. So in other words, you don't just negotiate treaties and add countries to your list of treaty partners as if you were adding phone numbers in a telephone book. There had to be some underlying strategy, sir.

And so, sir, we negotiated a treaty, for example, with Botswana and we buttressed that treaty negotiation by a series of investment visits, including visits from Botswana to Barbados by Festus Mogae, their head of state, and reciprocal visits from Barbados to Botswana designed, sir, to be a significant follow-up to the negotiation of the treaty. We negotiated a treaty, sir, with China and followed up that treaty arrangement with a series of investment missions so that we can say, well, we have a treaty base and now we are looking to build on that.

The minister has mentioned one or two places where treaties have been negotiated under this administration. I would like the minister to say to this parliament what marketing efforts - what specific marketing efforts - have been embarked upon by Invest Barbados into those jurisdictions so that Barbados can see the benefits of the treaty arrangements that we are negotiating. I would like the minister to say to this chamber what are the current figures in relation to corporation tax paid to the government - what are the current amounts of corporation tax paid to the government by these companies as compared to previous years? I would ask the minister to say to this chamber, in the face of a damning criticism by its own CEO of a billion dollars of investment loss and 2 600 jobs since 2008, what efforts have been made by the minister and by Invest Barbados to recover that lost ground?

I don't think we have to convince any Barbadian of the importance of the sector. I don't think so. I believe that the Democratic Labour Party administration also sees the benefits of the sector. But seeing the benefit of the sector and acting in such a way as to promote healthy growth in the sector are two different things. And so I well remember, sir, when Canadian Steamship left Barbados, it was widely reported in the press that the minister, when asked about Canadian Steamship's departure, said he didn't know anything about it - he would have to check on it. Canadian Steamship paid, I think, in the region of \$20 plus million dollars in corporation tax to Barbados per year. And there were other associated companies.

Now, sir, I cannot criticise the minister. I don't expect the minister to walk around knocking on companies'

doors to find out if they are leaving. But clearly there is a systemic problem if something as significant as that could happen and it falls so completely below the radar of the individuals who are responsible for the administration of the sector. But if that were the only one, Mr. Speaker, you would say, well, those are the vagaries of commercial enterprise. But we know that in the months since then other companies have exited. And we also know, and I am absolutely certain that his ministry is aware, that there are several other companies - certainly well over a dozen wealthy enterprises - that are also looking at leaving Barbados.

I believe that there has been some response from that side of the aisle in terms of making changes to the tax arrangements. But the question is, sir, is that now enough? The minister has spoken about our educational system and access to health care - and he didn't mention nice hotels or golf courses. But we know that those are all the things that help to make up some financial services base. But we have to get the fundamentals right, sir. Those fundamentals include an environment that has now become increasingly bureaucratic, and this piece of legislation adds to that bureaucracy.

It would probably be a useful thing, sir, if I focus on exactly what is before this chamber today. Now, the foundation to which this bill refers is the common law equivalent, Mr. Speaker, of a charitable trust. We already have provision in our legislation for the creation of charitable trusts. It is to be found in our International Trust Act. But what we have all been told is: look, international trusts are a creature of the common law and is a concept that is a little challenging for civil jurisdictions to come to grips with. Their equivalent is the foundation. And so we need to bring this foundation legislation. But I must ask the minister whether there ought not to have been some effort at having a consistent approach to two creatures that are different in name only.

Now, sir, the minister said these are things for civil jurisdictions. But I would remind the chamber, sir, that nowhere in this bill is there a list of countries to which this bill should and should only apply. And therefore it is open to anybody from anywhere to establish a foundation. Now, the difficulty is this, sir - under the International Trust Act, there is no requirement for registration, but under this foundation legislation, there is a complex set of registration requirements that are provided. So what we have, sir, is an inconsistency in dealing with the international trust and an inconsistency in dealing with the foundation. In addition to that, sir, international trusts are not subject to exchange control. International trusts are not subject to income tax, but the foundation, as I say, which mirrors the trust - this foundation, sir, is now neither fish nor fowl.

Now, sir, let me say here - one of the key issues when dealing with animals in the financial services sector is one of certainty and predictability. It must be clear what it is we intend to do. I have been involved, sir, in trying to sell Barbados' financial services products and if there is ever any doubt in the investor's mind, they ought to go someplace else. Simple as that.

Now, in this bill, sir, there is something called an international foundation. Section 24, I believe it is - an international foundation, sir, is a foundation that has been organised in a jurisdiction other than Barbados, and that foundation is then migrated to Barbados in the same way as an external company would. I have to assume, sir, that members of the chamber have some passive familiarity with what I am talking about. The point is, sir, that an international foundation is a foundation that is already set up someplace else - it already exists in another jurisdiction. And all that is happening, sir, is that foundation would then apply for a certificate of continuance to continue in Barbados. But here is where the difficulty begins, you see, because our foundation legislation also contemplates that a foreign person -

may set up a foundation in Barbados de novo anew, to be literal. But the point is they set up a foundation in Barbados from scratch. Now, here's the difficulty, sir. John Brown from Liechtenstein, who sets up a foundation in Barbados afresh, a new creature gives birth to it for the first time. His foundation is treated differently to Tom Brown, who had a foundation in Liechtenstein but continues it in Barbados. That's why they say that the opposition will support logical legislation. We will support things where the policy basis is clear. How do we explain, how does the government explain the policy thinking behind this? The one that was certainly signed and continued in Barbados is exempt from income tax, exempt from exchange control and all those kind of things. But the one that the gentleman who is visited by Invest Barbados in his office in Liechtenstein, he says, man, I can come straight to Barbados and set up his foundation. Sir, the characteristics are no different. The settlor, the member for St. James North would be, and Mr. Speaker would be well aware of what I'm talking about. The settlor is the same. In other words, the person who puts the money in it is the same. The beneficiaries are resident of site, same thing, same corpus in Barbados, but they're treated differently. But they're both foundations, they both exist in Barbados. One just had his personal case through someplace else. Now I'd like the minister to seriously explain to me the rationale behind the different treatment. Because in my mind, sir, there is absolutely no principled reason for it. And I would like to accept that there's an oversight. But I can say that as an individual who is involved in that practice of law, it makes absolutely no sense that the two animals should be treated differently. So I'd like the minister tell me what's the policy rationale behind that?

But equally, sir, equally, as I said, the international trust is not subject to income tax or exchange control either. So what we have are animals that are the same but somehow being treated differently for tax purposes. Now the issue of taxation is key. What has allowed Barbados to sell its international trust is the fact that those animals are deemed not to be resident in Barbados for the purposes of the Income Tax Act and therefore they pay no tax. Now we have to, and I'm not going to take the chamber into an excursion. The reasoning behind setting up these entities, it was to achieve particular goals to avoid the harshness of forced heirship rules and succession legislation in those domiciles set up in Barbados. Under our law, the owner of the trust or the settlor would have full flexibility. And so you do want to establish that those trusts are not subject to taxation. But under our Barbados legislation, under this bill, foundations are subject to taxation. Now the minister referred us to section 54, I believe, clause 57, which says that they shall be levied in respect of every income year of a foundation tax on the profits and gains of the foundation, as the minister for finance shall prescribe. Now I have to - the minister spoke about it but he didn't tell us what was the tax rate that was being contemplated and we would need to know that. What is the tax rate that is being contemplated by the minister of finance? We have just seen how the Ministry of Finance has had to rush in an effort to stop a few more companies from leaving Barbados and reduce the tax rate for IBCs and so on. Is the minister able to say to the service providers in Barbados and to say to the world at large that the very same tax regime that currently exists in respect of IBCs and SRLs is the tax regime that applies here? I am alarmed, sir, that the minister either is unable to say or has chosen not to say. Because in our current environment, when we've just had to have a response to losing companies by reducing tax, the minister should be able to say to us today, and the tax rate that will be levied is the same. But the minister has been silenced and I'm curious to understand why. Is it that the government has not yet considered what tax rate will be employed? Is it that the government is contemplating an entirely different tax regime?

The other thing too, sir, is that there is obviously no restriction on Barbadians establishing foundations. Now, we need to understand exactly what is the reasoning here. The minister has said that the concept of a foundation is a civil law concept. It is something. And he spoke about it entirely within the realm of the financial services sector. But the fact is, sir, that for many years, as an initiative of the Barbados Labour Party, Barbadians can and do now own international business companies as part of their tax planning and so on. Is the minister now saying - is the minister now trying to establish a regime for Barbadians such that they will establish foundations? And what is the intent in that regard? Because we already have trust legislation that applies to Barbadians. We came to parliament a few weeks ago and made one - in my view an

unwise - amendment, but it was still made. We have trust legislation that deals with our domestic environment. Now, if there's one thing that confuses any legal framework, really, is a set of competing legislative arrangements. Now, if the minister is saying that Barbadians under this law are entitled to establish foundations, what is the intent behind it? What is it that the minister is hoping to get from this?

You see, sir, when we allowed Barbadians to own IBCs, it was because we understood that Barbadians were now selling services abroad, not locally, because with IBCs you can't do domestic business, you have to sell your services abroad. And this was a way of ensuring that Barbadian service providers could be competitive in landing contracts, in bidding for work and also in bringing US dollars into Barbados. And that was the purpose behind it. And many service providers have set up IBCs so they can sell their products wherever they operate, wherever their services, wherever they operate or those domiciles that they do business with. So there was a clear reasoning behind it. So I'm asking the minister to tell us what is the rationale behind allowing Barbadians to establish foundations? Because remember, sir, a foundation is a trust. It is not intended to be a commercial enterprise. An IBC is a commercial enterprise that is meant to make money for shareholders. A trust is a wealth management tool. And if you're - well, I like to think of asset management and wealth management - these days I have neither. If you're going to be putting this on the table, so to speak, we have to understand what is it that we're intending to do. The minister needs to be able to tell us what is the law that the courts of Barbados will be applying. Will it be applying our trust concepts? Will it be applying our trust law?

You see, sir, this foundation legislation only allows for the establishment of an entity. That's what it does. But it does not say to our judicial system, this is the law to be applied. And as an individual practising in the courts, like Mr. Speaker, the member for St. James North and others in this chamber, sir, certainly, what you can well find is a civil law creature now being so contorted, or you will find our common law trust principles now so being contorted to deal with a civil law concept. And that is not a situation that is welcome. It is one that is, quite frankly, undesirable. And to that extent, therefore, sir, I want the minister to say with absolute clarity to this chamber whether it is intended that Barbadians shall be allowed, shall be entitled to take advantage of the establishment of foundations.

Sir. Now, the fact is that when you say that foundations allow for the change in forced heirship rules, those clauses are clause 38 of the bill. Our bill doesn't say - it says that an international foundation is not subject to the Succession Act. But I'm asking the minister to say, well, what is the plan in relation to Barbados? Who decided, hey, this creature is here, so let's write it, let's use it. So those

are the kinds of policy issues that I think we are entitled as a parliament to say to the government. Explain to us what you are thinking. We have no difficulty, sir, with the concept of a foundation. I have already said in this chamber that in many respects the financial services sector is like a buffet. If the buffet is sparse and the persons dining have limited offerings, then you will make limited sales. On the other hand, if you have an expansive array of offerings on the table, then we can be attractive to more people. Fine. And therefore we support the concept of foundation legislation. But I honestly think, sir, that there are some things in here that in my respectful submission we need to consider, to see whether the intent of the legislation is, or whether what intent is shown in the legislation is what parliament really intends. Sir, I am especially confounded by the notion that an individual can set up an entity in Barbados de novo and be treated differently to an individual who sets up someplace else and then migrates into Barbados. If this were a company, sir, if this were a company and John Brown living in, again, Liechtenstein were to incorporate this company in Barbados, the company will be treated absolutely no differently. So if John Brown sets up his company in Liechtenstein and then migrates to Barbados, at the end of the day you will have a Barbados entity and both will be treated alike and the shareholders will both be treated alike. And this inconsistent approach, sir, it absolutely confounds me. And I suspect I would respectfully offer to the chamber that it is here as an oversight. But it is an oversight, sir, that is not capable of being explained or potentially defended in a rational way. And the chamber ought to move to correct it before putting it up there as a bill.

Mr. Speaker, one of the difficulties with the international financial services sector is it is sometimes a challenge to be scientific about what will sell. There was a time in Barbados, and I guess it could be pardoned for using a recent example of the Prime Minister's. He spoke recently about pigtails. There was a time in Barbados where some imaginative person decided, I'm going to barbecue pigtails. And it took off. It took off. But I also know an imaginative person, sir, who decided that he was going to start offering shark - sales went flat, business shut down. Okay. It is sometimes difficult to predict what will sell. And so any jurisdiction like Barbados, before we put our offerings on the table, we have to be scientific in trying to come to an assessment on whether this particular thing will get traction in the domicile. But part of that, sir, is not just research at the initial stages. Part of that has to do, again, with what happens after we have the bill.

Now, sir, I am aware. And I think it's a point worth emphasising that we have negotiated double taxation treaties. We have. But what is the marketing initiative that is being employed in those particular domiciles to try to bring business out of those places? It is true that service providers will have their contacts and they will try to do a

bit of it. But unless we send trade missions into those domiciles, I don't know that we're going to get anything. And it is perhaps unfortunate that over the last five years, or last four years, we have not had a status report in this chamber on the work of Invest Barbados. We've not had it. So we've not been able to have an informed discussion on the way in which the subvention to Invest Barbados has been used. We've not been able - you know, we were promised by no less a person than the minister of finance a full day's debate on international financial services. And in the dying days of this administration, sir, we've still not had the benefit of that debate. All of us have a vested interest in this sector in the same way that we have a vested interest in tourism, in health. We send our children to school in the hope that they will qualify as lawyers or doctors or accountants or whatever it is, and somehow find an opportunity in this field in addition to others. So it is a matter of national interest and we would seriously like to hear the minister on what has been happening with Invest Barbados. What are the markets that it has been going into and what are the marketing initiatives that it has been employing in order to bring business to Barbados? Because from what we see, Barbados has been losing business as opposed to gaining business.

We therefore feel unable to support this bill in its entirety. If the minister is able to offer some clarification on those points that have been raised, we hope that we will be able to see eye to eye with the government on them. But we do respectfully submit that there are some fundamentals that seem to have gone awry in the preparation of this bill. One final point that I want to make, sir. The Barbados Labour Party enacted international arbitration legislation and I will remember in that debate, members on the then opposition side, including the former Prime Minister for St. Michael North East, severely criticised the Barbados Labour Party and asked whether we were serious about international arbitration, whether anybody would seriously come to Barbados and do international arbitrations and on and on. I do not criticise this legislation in that same vein. We have seen international arbitration used in our courts on multiple occasions in the last few years and it demonstrates the fact that the legislation that we passed made good sense at the time and is of tremendous value. We believe that this legislation can bring some fruit. It can. But it does not help the sector if we have to try to sell a piece of legislation that in its terms, sir, does not come over as being clear to the potential investor or that might only cause confusion. Sir, I'm obliged to you.

Mr. SPEAKER: Yes, the honourable member for St. James South.

Hon. D. O'N. INNISS: Thank you, Mr. Speaker. I rise and give support to this foundation legislation building for us today. I want to start by reflecting on the comments made by the honourable member for St. Joseph, one who

purports or exclaims, even though it is rather self-imposed, to be an expert in this sector, having served, I believe, as Minister for perhaps one of the most uneventful tenures as Minister of International Business the country has ever known. The honourable member for St. Joseph commented that the international business sector could be likened to a buffet where, if it is sparse and little offerings, then you get the result of a level of hunger, and if it is sumptuous, then all is well and all are well fed.

Under the honourable member for St. Joseph as Minister of International Business - Ray Matt Lent and the Barbados Labour Party - the international business sector was like a buffet provided in an overcrowded, under-resourced prison. Whereas under this Democratic Labour Party administration one can well see, as identified by the number of new pieces of legislation, regulations and efforts, that there is perhaps a greater fare for those who choose to eat from it, available to all. We have comments such as too little, too late.

You know, Mr. Speaker, for the last six years of the Barbados Labour Party administration, those who work in this sector were calling upon the honourable member for St. Joseph and the entire Barbados Labour Party team to bring legislation related to foundations, private trusts and several other entities. Those calls fell on deaf ears. So for the honourable member for St. Joseph to come into Parliament today and behave as though the international business sector was ever taken so seriously by the Barbados Labour Party and is not by the Democratic Labour Party is not correct.

If there is one thing that I would be constructively critical of this Democratic Labour Party administration for, it is that we have not done a good job in terms of letting the country and letting all stakeholders know what we have been doing in the international business sector. That is one constructive criticism I level at my own party and administration.

When you look at the recommendations coming out - I believe it is 40 recommendations and nine special recommendations - from the Financial Action Task Force, you recognise that we have, as a government, for example, enacted the Financial Services Commission Act of 2010. We have done the International Corporate and Trust Service Providers Act of 2011. I believe the regulations are on the way here as well, the Income Tax Exchange Information Regulations 2012, the Companies Amendment Act 2011 and the Private Trust Companies legislation just mentioned, the amendments, the Trustees Act, the Foundation Bill which is before us today, and a whole other range of pieces of legislation that we have done.

But we have gone a step further. And as the honourable member for St. Joseph recognises the

importance of having tax exchange information agreements and double taxation agreements and other forms of bilateral tax arrangements, we as the government since 2008 have brought some closure to, for example, the double taxation agreement with the Republic of Seychelles. That was done and came into force in April of 2008. We have also signed double taxation agreements with China, the Netherlands, Mexico, Panama, Luxembourg, Maine, Ireland, Czech Republic. We have also done some others with countries such as Ghana, Portugal. We have, via the United Kingdom, done one with Bahrain, Qatar and San Marino and four protocols.

Existing treaties were also signed, and I would have signed these on behalf of the government and people of Barbados in November 2011 whilst on a trip to Paris, France - the protocol with the Barbados-Finland DTA, the one with Norway and the one with Sweden. We have also done an adjustment to the one with Canada and of course the one with Denmark. That was done in November as well. And tax information exchange agreements were signed with Greenland and the Faroe Islands in November 2011, there again by myself on behalf of the government.

So clearly, Mr. Speaker, despite what the honourable member for St. Joseph has been saying and the impression that has been given today, this government, the current Minister of International Business and predecessors since 2008 have actually been busy creating new products in the form of legislation as well as various pieces of bilateral agreements to strengthen the international business sector.

The honourable member for St. Joseph also quoted, I believe, the former CEO of Invest Barbados who talked about losing \$1 billion and some 2 500 jobs a day. That was the opinion of the then CEO of Invest Barbados and not the opinion of the Government of Barbados. And perhaps because we did not come out and castigate the public officer at that point in time - he was a good public officer - it does not mean that his views were the views of the Government of Barbados. His analysis, I think, perhaps he did not present clearly the evidence upon which he came to his conclusions. But certainly my own opinion, my personal opinion, is that the interpretation given to it today by the honourable member for St. Joseph in his quotation is rather false and misleading. Barbados did not lose out on \$1 billion of investment nor 2 500 jobs. That is not true, unless you are speaking to the tenure of the honourable member for St. Joseph, and he was perhaps one of the most unenlightened Ministers of International Business this state has ever known.

The honourable member for St. Joseph speaks to the falling revenues in the international business sector and that must be taken not with a pinch of salt, but I dare say, Mr. Speaker, a dose of Epsom salts. Could you imagine? Two factors are offered by way of intersection analysis. One: in

the face of a global recession that has been unprecedented, unknown to mankind pretty much since the last hundred-odd years, one would expect that international businesses functioning in Barbados would have seen a fall in their bottom line as well. International business companies, because they exist in Barbados, does not mean that they are guaranteed to make an increase in profits every year. So once these entities that exist here face the challenges in their market, whether it is in Africa, Asia, Europe, wherever, and their bottom lines are affected, naturally, once the tax rate remains the same, the revenue stream to government derived from such entities obviously will move in the same direction - a decline. So to suggest that one can simply make that statement about the fall in revenue to government from the international business sector before doing any further analysis is rather misleading to the Chamber.

The other point that must be raised within that context is that the international business sector can no longer be defined as just those entities that are licensed under the various pieces of legislation called the international business sector. The honourable member for St. Joseph knows that there are several regular Barbados companies that are actually doing international business and earning foreign exchange and perhaps paying an even lower tax rate - by two and a half per cent - compared to traditional international business companies, or those in the sector, and who are not considered as contributors to the corporation tax of the government as measured within the international business sector. So I think that kind of analysis must be made in the equation before we make these kinds of statements.

The other point that the honourable member for St. Joseph spoke to - I want to respond, Mr. Speaker, to a few of his comments before I speak to the actual details of the foundation legislation. Tax treaties are negotiated with countries from whom Barbados could benefit. That was the comment, the statement of the honourable member for St. Joseph. The honourable member stated that they went out and negotiated tax agreements with countries from whom Barbados could benefit, and they went on to cite Botswana. And what did Barbados benefit by? Having the head of state of Botswana visit Barbados for three days and we sent an official delegation to Botswana. You did not need a tax exchange information agreement to make that happen.

How many businesses - sorry, Mr. Speaker - what I ask is that the honourable member for St. Joseph please quantify in terms of dollars and cents, or other income, how Barbados benefited from any tax arrangement with Botswana. And there may be some - I do not know. But if the honourable member for St. Joseph is going to make the statement that it helps a Barbados administration base their decision on who to do business with or who to sign tax agreements with on the basis of being able to get

investments into Barbados substantially, then you should have gone before and indicated how Barbados benefits. A high-level delegation going to Botswana does not benefit Barbados.

Just like that. We would have had to see some business. I know that the honourable member for St. Joseph participated in seeing Barbados investment in Nigeria and other countries out there disappear. Barbadian investors who took the advice of the honourable member for St. Joseph and invested in some African countries are today suffering because they cannot get a cent back out of the country.

Mr. D. D. MARSHALL: Yes, Mr. Speaker. I rise to interrupt the member. Let me say, sir, that individuals in Barbados who made a private visit - a private visit - to Nigeria came to the Government of Barbados and asked for financial assistance. Asked for financial assistance to make investments in Nigeria. The Ministry of Industry and International Business, which oversaw the work of the particular fund managed by the Enterprise Growth Fund, went through a huge checklist, got advice from a number of regulatory agencies and, sir, I can say that the money that was invested in Nigeria was money, sir, regrettably, that came from the IAEF, a fund of the Government of Barbados. But the Enterprise Growth Fund made the specific decision on whether or not to approve the investment or not. It had nothing to do with the Minister, or it had nothing to do with the Ministry's officials.

Hon. D. O'N. INNIS: Thank you, Mr. Speaker. And I wish to thank the Hon. Member for St. Joseph for giving full support to my statement because the mere fact that he is able to regurgitate such details tells me that he was very much aware of it and part and parcel of the decision to make the investment and to facilitate the non-returning investment. The member also spoke about China. Yes, Barbados would have signed an agreement with China but it was the Democratic Labour Party that established an embassy in Beijing, China that is today helping Barbadian businesses source products in China, facilitating investment for Barbados and China and strengthening the relationship between Barbados and China today. So clearly the Democratic Labour Party has done well in that area. We are the ones who also decided to establish everything in Brazil, one of the largest economies in the world and one of the most resilient economies in the world. That is what this Democratic administration has done which is also aiding, embedded in the growth of business, the international business sector from Brazil into Brazil and from Brazil out into other countries using Barbados as a conduit for such investment.

The other point quickly, Mr. Speaker - sorry, Mr. Chairman - that the Hon. Member for St. Joseph stated is that there is no way in this bill. There is nowhere in this

foundation bill before us today a list of countries who can utilise foundation legislation. But I mean, as an outstanding attorney-at-law, the Hon. Member for St. Joseph, we know that legislation normally will not speak specifically to countries - you create the product and whichever countries or citizens or corporate entities of some country wish to use it will use it. So therefore, to come and talk around that as though that is a big issue - I think the Hon. Member, if he gets to speak again, will apologise for making that kind of comment and recognise it adds no value. The issue of Barbadians owning foundations - well, that is a matter that the Minister, I am sure, can speak to. But I get the impression that the Hon. Member for St. Joseph is basically saying that Barbados should not own foundations, that foundations should not be an entity available to Barbadians to do business or to protect their assets or secure their investments. I do not agree with that.

Now, Mr. Speaker, this issue before us today in terms of foundational legislation - we as the Government, as I said earlier, continue to listen to the stakeholders, engage them and be proactive and find new products that can really drive Barbados forward, an international business sector that can truly build a sustainable international business sector. The Hon. Member for St. Joseph and the entire Opposition team know full well that over the years we as a common law jurisdiction would have assertively focused a lot on trust legislation, recognising - or being oblivious to the fact - that civil law jurisdictions would find foundations to be an attractive tool for them to protect their assets, protect their wealth, help maintain a measure of control, unlike the trust where perhaps, as a settlor, you have to give up to a trustee and perhaps have minimum control over your assets. It is partly the culture - the people of Latin America, as a civil law jurisdiction, unlike perhaps what is prevalent in common law jurisdictions.

Let me also say, Mr. Speaker, the importance of this - because when we engage in this country with certain international business interests, it perhaps is not one of the sensitive areas of debate. But certainly we have to recognise the profound impact it has on this economy and this society. And as a Government working with our partners in the international business sector - whom I wish to commend today for their willingness to stick with us and to give us good advice and to be genuine partners - working with them, we recognise that Latin America provided an excellent market opportunity for Barbados' international business and financial services sector to be expanded into. When you look, for example, I believe the growth rate in Latin America last year would have averaged about 3.2 per cent according to the latest OECD report that I would have seen, which came out on 16 November last year, just a few weeks ago. Latin America is poised to show 4 per cent growth rate this year, 2013. So clearly Latin America has been very resilient in terms of

what has been happening in the global economic arena and Barbados, therefore, has done the right thing by creating a product in the international business sector that can prove to be attractive to Latin America, where we recognise its great market potential.

I believe that the Minister of International Business, International Transport and his team in the Ministry, as well as those who work in the Joint Policy Advisory Group in the Ministry, members of the Barbados International Business Association, all stakeholders must be commended for putting their hands together and getting us to where we are today in this particular piece of legislation. We ask ourselves sometimes, why is this attractive to people from such jurisdictions? We all know the prevalence of kidnapping of high net worth individuals or their families, for example, in such jurisdictions. We know the extent to which they hold close to their assets. We know the extent to which - I believe 63 per cent of the businesses in Latin America are considered small and medium-sized enterprises, which implicitly means that they are family controlled, family owned. And therefore a natural extrapolation of that fact will point to the extent to which they wish to maintain a level of control over the assets of the family and pass them on to the next generation. But do it in a jurisdiction or do it in a manner where they have a high level of confidentiality and a great level of security that is necessary. So therefore we recognise that this foundation is an integral tool for Barbados to continue to market its effort in a growing and vibrant economy of Latin America.

As the Hon. Member for St. Joseph would have pointed to, or is very much aware of, a foundation as a legal entity has the capacity, rights and privileges of an actual person. It can sue or be sued. The assets of the foundation are owned by the foundation, not, I guess, as you would say, the beneficiaries of the foundation. This legislation also reflects the flexibility of the foundation - the fact that it can be established either for a fixed period or an indefinite period - which are all attributes that are very attractive. Contemporary foundational legislation, as you see, seeks to create new products to drive the sector forward. So, Mr. Speaker, I am satisfied that we have done very well as a Government in terms of the creation of new products, legislations that govern them, and that we are poised to really build once again a sustainable international business sector in Barbados.

But it would be remiss of me if I did not, in the same vein, recognise that we still have some challenges in the environment. I do not think that any of us can bury our heads - or should bury our heads in the sand like the proverbial ostrich - and be oblivious to the fact that we do continue to have challenges with basic facilitation in Barbados. It is a matter that had plagued the former Government and is one that in some respects continues to

challenge us as well, but is one that we have to put our heads together and find solutions across the board. It is no sense having good products like these and then it is going to take a couple of days to get a company or get a foundation registered in the Corporate Affairs Department of Barbados. We have to get to the stage where these things can be done within 24 hours. We do not want any individuals to say, go and settle an entity in St. Lucia because you can do it in 24 hours, and then have it be managed out of Barbados. We want the whole hub right here in Barbados.

And I do not plan to be critical of any particular individual or department, but there are some realities we have to face. We are sitting in Parliament creating wonderful products that will drive the international business and financial services sector forward. But I continue to hear the complaints of the length of time it takes to get certain things done in Barbados. And let me say something to add - it is not restricting the international business sector but I believe business generally speaking in Barbados - and we have to recognise as a country, now this is not about the Democratic Labour Party or the Barbados Labour Party, it is about how do we get Barbados to truly function as a 21st century economy and society. How do we really and truly get to this stage where those who decide to make the investment, whether they are local investors or foreign investors, are made to feel welcome, not made to feel as though you are coming to do something shady or you are coming to offend someone. We have to get to the stage in this society where technology is fully embraced, where you can sit in your office as an attorney-at-law and register a business name, do a search for a name, and not go to the appropriate agency the next day and hear, "Oops, our records have not been updated and that name is of no use to you." These things cause a high level of frustration, delays and by extension cost monies to this economy and this society. So we have to get it right in terms of business facilitation across the board.

Mr. Speaker, there are just a few other points I would like to quickly make, and that is that I am satisfied that under this administration the international business sector is once again positioned to be the major source of foreign investment and sustainable, well-paying employment in Barbados. There is no doubt about that at all in my mind. We talk about tourism - I would like us to get to the stage where international business is everybody's business, just as tourism has been over the years, before, of course, compromising on the tourism industry as we have known it as a country. We must be prepared to embrace international business with the same level of energy, commitment and vision as we did for tourism or as we did back in the late sixties and early seventies with the industrial revolution that took place in Barbados and the creation of the microelectronics industry. Of course, as

citizens we must recognise the opportunities contained therein and be prepared to go for it.

Let me identify a few areas - perhaps what we may call the low-hanging fruits - that we have to address as a country as we seek to build a more sustainable international business and financial services sector. For example, every child leaving high school, secondary school in Barbados should be conversing in a foreign language. Barbados is not going to be a major player in the international arena unless our citizens decide and accept that a working knowledge of a foreign language is critical. I know that most schools do teach Spanish and French, but then you have an option to take whatever and then most people drop it. But we really and truly have to embrace foreign languages, the teaching of foreign languages and the working knowledge of a foreign language, particularly among young people and those who wish to engage in business. Barbados is not in a world of its own. And if we are going to do business in Latin America, for example - the foundation legislation, as the Hon. Member for St. Joseph talked about marketing, etc. - when we start to attract business from Brazil, we ought to have Barbadians who can speak Portuguese. As we go further into Latin America, whether it is Mexico, Peru, Chile, Colombia, wherever, Barbadians must be able to converse with them in their language. These individuals who live in countries of millions of people are not definitely going to feel obligated to learn English. But as a country, as a small open economy trying to punch above its weight in the international arena, we have to ensure that our citizens are able to converse in the language first, but also to have great appreciation of the nuances of the culture from which our market comes.

Also the issue of law. All lawyers here will go to law school, do the Bar, whatever, and then become a lawyer. We need to really have lawyers that specialise in international business, international finance, international corporate, cross-border transactions. Yes, Mr. Speaker, these are niche areas that Barbadian attorneys must pursue. These are niche areas. If I had to advise a youngster who is studying law or wishes to pursue a career in law, I would say you do not just look to go to law school, come back, hang a shingle and go down Broad Street. Recognise it may take a few years, but recognise that these are niche areas. As we grow and expand, the international business sector provides wonderful job opportunities for you as well. As for accountants - yes, it may be CGA, ACCA, whatever - but you have to recognise that we need accountants to specialise in international tax to a high degree, cross-border transactions, complex issues that cross many territories. That also has to be addressed and of course those who wish to engage in business facilitation as well.

So, Mr. Speaker, in closing, let me reiterate my full support for this piece of legislation before us - the foundation legislation, the Foundation Bill. It has been long

in coming. It would have found its genesis way back when the Hon. Member for St. Joseph was absent from his office as Minister of International Business. But we are happy today to report that under the stewardship of the Hon. Member for St. James Central we have brought it before Parliament today and it will become another one of the important products that this Democratic Labour Party has created to drive the international business sector forward. With those few words, I am obliged to you, Mr. Speaker.

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

Hon. A. D. BRATHWAITE: Thank you, Mr. Speaker. Mr. Speaker, I thought I would make a contribution in particular for the benefit of the member for St. Joseph. I happened to have been in my car listening and what I heard was a presentation filled either with ignorance or with confusion. So I thought that I would come and assist the honourable member to get a better understanding of what this legislation is about.

Let me begin by saying that I understand why the member for St. Joseph has so much difficulty understanding legislation because he himself said that he has been involved in trying to sell products in Barbados. He's trying to sell. He never said that he accomplished any selling. He said trying to sell. And I understand why he tried and maybe failed because just that he did not understand the private trust company legislation. He does not understand this piece of legislation before us. And that is why, for example, he can say that there's no need for us to have foundation legislation because we have charitable trust in Barbados already.

The foundation. I never said that we did not need to have foundation legislation. Mr. Speaker, it is to my recollection that the member for St. Joseph confused foundation with charitable trust. He said that in fact that we already had charitable trust in Barbados, so there was no need for us to have foundations because charitable trusts were already available. However, the point I'm making is that his first error is not recognising that there's a fundamental difference between the foundation and the trust. And maybe that's where I should begin by explaining to the honourable member that there is indeed a fundamental difference between the foundation and the trust.

And it clearly states in the draft bill that the foundation is a separate legal entity. It can sue and be sued. In other words, as you would appreciate it is on par or akin to an incorporate vehicle, to a company, which is different from the trust. And that's why I needed to come and explain to him, because it's either speaking in ignorance or I'm going to say, mischievousness. But in any event, I just want to make the point that it is a completely different

entity to a trust. It's more on par with a company than it is to a trust. And that's why I need to explain why Barbados at this point in time have decided that we thought that it's beneficial for us to have foundation legislation.

I must also say that it is to my knowledge that since 2001 the industry has been asking for us to consider foundation legislation. But given the presentation of a former minister of international business, I understand why they never did it because they never understood - that's why it was never done. I know my colleague the Member for St. James South suggested that it's because the former minister, the member for St. Joseph, was absent from his office. But I'm suggesting, in spite of his absence of presence in office, quite obvious to me it was not done because he did not understand what the industry was asking for, did not understand.

And, you know, we keep on saying that they are about show, not about substance. So he would have walked around Barbados saying all the right things but doing nothing. And that's why I said that this present minister, he may not be as flashy as the member for St. Joseph, he may not walk around with his suspenders and his cigars, but he has been delivering and this is exactly what we were committed to.

I also heard the member for St. Joseph again - too little, too late - that we've now rushed in to do this legislation. At least a year ago, I suggested to this chamber that we would have had this done last year. And it is with some regret that we're now bringing it today. But we have not rested because elections are around the corner. We committed to the sector and to this country that we were going to do this and we are delivering. I'm sure that the members have been told that when he speaks to anyone in any ministry of international business, he will hear that in fact this has been worked on for at least two years. There's nothing rushed about this. So I'm not sure if that is again either ignorance or confusion. But as I said, we committed to doing this. We brought it here today and we are proud to be able to offer the service providers in Barbados another product to market.

And again, the honourable member suggested that it's a buffet and that the more products the happier that people are, et cetera. But it's not a question of a buffet, and to equate a product with a buffet is also suggesting a misunderstanding of what the industry is about and what we're trying to do. What we want is to ensure that whenever anyone is interested in financial services and comes to Barbados, that regardless of what product he's interested in, he can find a home, he can find a service provider in Barbados.

And yes, we have said that this particular piece of legislation is targeted at a particular market. And the reason

why it's targeted at a particular market is because in similar countries, the settlor of a trust - the founder, the owner of the assets - has a serious difficulty understanding how he can give his assets into a trust and the trustee now becomes the owner of his assets. So if you went to certain markets, if you went to Venezuela, if you went to Mexico, if you went to Brazil, et cetera, and you said to them, we believe that the trust is a suitable vehicle for your tax planning and for the preservation of your assets, for your family, everything goes well up until then. You say to him, by the way, the trustee now becomes an owner of these assets. The trustee now owns these assets. And this chap who has worked all his life and has earned these assets then says, so you mean I can't write a cheque on the account if I want to? And you mean I can't tell you what to do with the assets? And from the time he hears that, in fact, that he does not have that type of control, he says, don't bother, I'm not interested in planning anymore.

And that's why they gravitated towards foundations, because foundations allow them to have the kind of interest and control that they're happier with. And it's for that reason that for years, many of those same individuals went to Panama and, in the case of Venezuelans, went to places like Curaçao, where they had foundation legislation and where they understand the concept of the foundation better than the trust. And that's what we are doing here today.

And sir, we are not the first common law jurisdiction to enact foundation legislation. If the member for St. Joseph had done any homework, he would have seen that little Nevis - little Nevis did foundation legislation, I'm going to say in 2008, but I may be wrong, it may actually be earlier. The Bahamas has done foundation legislation, and I'm almost sure either Jersey or Guernsey has done foundation legislation. So again, to suggest that our judges and our lawyers may be confused in terms of whether or not foundations are trusts and may not know what principles to apply - they only need to look at the four corners of the legislation. And if in fact the member for St. Joseph had bothered to look at the four corners of the legislation, he would have seen that there is no call for alarm. We're not reinventing the wheel here. We're not reinventing the wheel.

And yet we have not seen any cases from the Bahamas or any case from the common law jurisdictions where the foundation concept has been tested. At least I have not seen any. But it is clear to me under this Act what principles should apply if there's a dispute under this Act. And I go back to where I started, by saying that the member for St. Joseph must first come to grips with the fact that the foundation is not a trust, it is a separate legal entity, it is closer to a company, it is a corporate vehicle, and that is why it speaks of incorporating. And that's why you take the documents to the Registrar of Companies, and

that's why the Registrar gives you the number, because it is similar to the company. It is similar to the company.

Again, the member for St. Joseph - I heard him and I know that he will say that I did not hear him properly - speaking about the complex registration process. What complex registration process? Had he bothered to read the legislation, he would have seen there is nothing complex about the registration process. He's also confused about the difference between the international foundation and how you register it, and why is it so complicated to register an international foundation when it isn't for a foundation established in Barbados. He speaks of John Brown, who can establish a foundation in Barbados, but John Smith, who established one in Liechtenstein, and that there's a difference. The difference is, according to this draft bill, that the foundation in Liechtenstein has already been established, and it may be established in a language other than the English language. And all we're asking is to bring us the incorporation documents, bring us the documents to establish that indeed this entity was established elsewhere, and bring us 35 copies in the English language, in addition to which you should have a registered agent in Barbados responsible for the foundation.

Had he bothered to read the draft bill, he would also have seen that the bill does not say that a Barbadian cannot establish a foundation. The bill does not say that, but he comes in parading about too little, too late, because he's only interested in grandstanding. He's not interested in making a serious contribution. He's not interested in making a serious contribution at all.

I want to say, and I've said it before, that when Barbados looks at the stewardship of this government when it comes to international business, and when it looks at the mountains on the other side, at the mountains -

of the other side, it will see the difference between performance and promise. Companies have been leaving Barbados and we dealt with this. I'm not going to explain it to you because this is too high for you. You will not understand why Mr. Speaker, I'm sorry, Mr. Speaker interrupted me. He will not understand. I will try to explain it simply for him then. In fact, part of the reason why we have looked at the native inspector so copiously is because it had the same limitations as our tourism product, which is that the other side just looked at one product and one jurisdiction and haven't considered yet polls. We have therefore, as a sensible government, tried to bring more products into the marketplace to widen the scope of the jurisdiction that will use Barbados. So that the next time that we have an event that happened in 2008, the next time we are going through a crisis that we are going through, we, in terms of this industry, should weather the storm better because we have more products and we have more jurisdictions that people are interested in using.

Barbados - that's again a very sensible approach and that's why we did the treaty in Panama. The quickest treaty ever signed, the greatest double tax treaty ever signed in the history of Barbados - we did it with Panama. That's why we did Mexico, that's why we're looking at Brazil. We understand what we're doing. We understand what we're doing when it comes to this industry and we're delivering.

Sir, companies are leaving Barbados. As I said before, and as the member for St. Joseph knows, a few companies left and they left because the same benefits that were being given under the Canada-Barbados treaty are being given in the Cayman Islands and Bermuda, where the companies are paying zero tax as opposed to paying 2.5 per cent at the maximum and 1 per cent here in Barbados. Now, that's not rocket science. And what we did is that we went to the industry and we said, what can we do to ensure that more of you don't leave? And we couldn't say, well, we will go to a zero tax situation because we are not a zero tax country. We can't say that we will give zero tax for one company but not for another. Of course, we'll do that separately. We did that separately so we can go to a zero tax situation.

And that's where the minister also pointed out that Barbados takes a holistic approach, because a couple of times he said, even though we can get zero tax in Bermuda or zero tax in the Cayman Islands, we prefer to operate in Barbados because we can send our children to excellent schools in Barbados. We have access to good health care systems in Barbados. We feel safe in Barbados. So we would rather pay a bit of tax in Barbados than go to Bermuda or somewhere else where the quality of living is not what we want. And that's why they have stayed, and we have done a good job in terms of sitting down with them. We went to all kinds of companies and spoke to them, brought them into our confidence, saying look, we want to work with you - and they're working with us. So is that a case where they're leaving Barbados because government took no action? Not at all. In fact, they stayed because of what we did.

The other point of confusion - or ignorance, I should just say ignorance - in the presentation from the member for St. Joseph is about the comments from the [Inaudible.]. His comments had nothing to do with government. He was actually speaking about processes in Barbados. We gave concessions to all kinds of entities. We gave concessions to Beacon, to [Inaudible.] - we gave concessions to all kinds of entities. They have not gone and established. That is a separate issue. They have not gone and established, and that had nothing to do with the government. So it's not a case where government took no action and as a result of which we lost business or we lost jobs. In fact, we did not agree with the comments of the CEO. But we are not the kind of government - we don't have the kind of Prime

Minister - that, if the member for St. Joseph was Prime Minister at the time, he would have turned him all around Barbados and asked him how he could have said that. But we don't behave like that. We sent the [Inaudible.]: what is the basis of your analysis? We do not understand how you could have arrived at that. But we understood the flaw in terms of the presentation. He went on and said what he said, but we do not agree with that, because there is nothing in terms of what came through our doors that would suggest that there were opportunities lost because we as politicians or the government took no action.

As the member for St. Joseph, I want to say that we are not satisfied with where we are as yet. There is still some work to be done and we will not stop until we are the premier jurisdiction for financial services, for business facilitation. And that's why the members spoke about incorporations to be done in 24 hours. There are so many things that we want to do, but we could not do them all in the four or five years that we have had. But we have a clear vision in terms of where we're going.

Look - [Inaudible.] in 2002, championed by [Inaudible.], who knows everything about financial services. Sir, since then we've been looking at that. They were looking at it for six years until we came to office. There are 26 mutual funds established in Barbados under the Act. 25 of those 26 are domestic. Because of the inefficiency in the legislation, they've been only able to attract - or we as a country have been only able to attract - one international fund to register in Barbados. But again, the Democratic Party, people on this side who understand business and understand the industry, we have looked at the legislation, we understand what is required. And when we are returned to office within the next couple of months, we will again address that and we will bring some legislation to this Parliament that will see Barbados being one of the leaders in terms of facilitating hedge funds and other funds in this country. They walked around saying that they were going to do it, did not do it. We will do it. That is my promise to you, sir, because I am sure that unless you do not wish to be Speaker, I will be speaking to you again on this issue. We will do it.

We have looked at limited partnerships. We recognise that we need to address the issue of limited partnerships. Again, we will do it. It's already in process. I'm saying to the industry: work with us. We understand what is required to make your lives easier. We understand what is required to make us the premier jurisdiction for financial services. And we, this Democratic Party, will work with you. In fact, we already have, as I said, other pieces of legislation to bring to this Parliament so that when individuals come to Barbados, they will not have to look at St. Lucia or Grenada or Jersey, because we will have everything that's required for them to facilitate establishing business in Barbados.

And I will end by saying this. I am available, sir, to give free tutorials to the member for St. Joseph and the member for St. George North. I do not believe his head will take it, so I will not spend any time with him on it. But I'm available to help anyone on that side understand what we're trying to do, so that when they make presentations, they can make presentations that make sense. Anyone listening to the opposition on this legislation would be confused - would be concerned about whether we are serious about financial services in this country - and would be confused about how the gentleman from St. Joseph could have been the minister responsible for international business. I am confused. But I want to end by thanking the member for St. Peter for removing the member for St. George North from the administration of international business, because he destroyed this business. Thank you, sir.

Mr. SPEAKER: Honourable member for Christ Church West Central.

Hon. S. A. LASHLEY: Thank you very much, Mr. Speaker. I'm also happy to join in this debate and associate myself with this bill which seeks to establish foundations in Barbados. And I would like at the onset, Mr. Speaker, to congratulate the honourable Minister for ensuring that we could have the type of legislation that certainly assists the international business sector in helping to provide another product on the international market so that Barbados, of course, can continue to market itself as one of the more successful domiciles for the conduct of international business, certainly in the Caribbean.

It doesn't, Mr. Speaker, surprise me, as it seems to have surprised my colleague, the honourable Attorney General, as to the way in which the opposition has conducted themselves in relation to this particular bit of legislation. And indeed, certainly from my experience in relation to debates which touch and concern international business in this House, there has always been an attitude displayed by the members on the other side which seeks to cast a spectrum of dismay as to the nature and the true nature of international business in Barbados.

What I can say, though, Mr. Speaker, that it is certain for all to see that this legislation which is before the House certainly did not exist during the Barbados Labour Party administration. They would have had the opportunity to preside over international business in Barbados for some 14 years. And as we heard, certainly this legislation was being asked for some time. But it took this government a mere few years to bring this bill to this House. And I think, I sincerely feel, Mr. Speaker, that the minister and certainly the staff of the ministry over which he presides ought to be commended and ought to be commended highly for so quickly moving forward on this legislation.

Mr. Speaker, it is certainly of no surprise, and it should not take anyone by surprise, that this government is serious about developing the international business sector. And this legislation offers tangible proof of the determination of this government to ensure that Barbados is not left behind in a rapidly evolving industry called international business. It is in fact, Mr. Speaker, that we in Barbados compete against a number of jurisdictions, not only in the Caribbean but jurisdictions across the world that have seen the international business environment as a key plank in terms of the development of their respective economies.

We are not, Mr. Speaker, competing in an area where jurisdictions are sitting down and not taking the maximum advantage of innovations and certainly changes in terms of the international business sector. What we are certainly signalling in relation to this particular bill before the House is that we will ensure that the legislative environment in Barbados is so changed and refreshed, that Barbados remains a destination of choice for those international entities and certainly individuals who wish to conduct business in the international business arena.

And therefore, Mr. Speaker, it is certainly very clear to me that we have established a policy agenda that is focused on ensuring that Barbados remain competitive in an environment where certainly everyone is moving in the direction of making changes when they are required to ensure that they can compete in this area. And it is in that context, Mr. Speaker, that I certainly would wish to signal my support and also to a large extent to rebuff what I continue to hear all the time in relation to international business.

There's no mystery at all, Mr. Speaker, in relation to this very important sector in Barbados. I mean, certainly over the years we have heard debates from this House and certainly since I've been here, we have almost seen the spectre coming from the benches of the opposition that somehow this sector is so mysterious, so caught up in some kind of mystified difficulty, that the ordinary person would find it difficult understanding. And that is far from the case, Mr. Speaker.

There are products which have been put in place in terms of the international business sector over the years, of course, where respective governments have refined them. We've had the international business company, we've had the international trust, we've had the society for restrictive liability where I had the honour while I was practising law, Mr. Speaker, of incorporating the first society for restrictive liability. But what has got to be told, Mr. Speaker, is that this sector is not a sector that will remain stagnant or static.

And therefore I measure the success and the responsiveness of a government in relation to its desire and in relation to its ability to respond rapidly in relation to various changes in this sector. And that is the mindset, certainly of this government. And I must say that's the mindset of the minister with responsibility for international business - at every juncture, once there are changes on the international arena, there have been papers brought to the Cabinet of Barbados not only to establish legislation, but to enter into international treaties and into various agreements with countries to ensure that Barbados remains on the cutting edge of this very rapidly evolving sector.

And the extent to which, Mr. Speaker, we have seen and carved out a niche for international business within the old question of diversifying the Barbados economy has to be the context in which this foundation bill must be cast. And therefore it is only in that light that I find it somehow surprising that while we are being castigated as a government, in the words of the opposition, for not moving fast enough to respond to the whole question of diversifying our economic base and putting in place legislation to make sure that we continue to be competitive, here we have, Mr. Speaker, a very progressive bit of legislation drafted - or rather brought to this House within the first term and within the first of several terms of this Democratic Labour Party government brought to this House, Mr. Speaker, within the first term of government.

And yet still we can hear from the benches of the opposition that we are not supporting, that we are giving it only some half-hearted response, when the country would want to hear, coming from this House, a united approach in relation to how we are tackling the international business sector. And I want to say, Mr. Speaker, that in spite of the attempts at politicking which I've heard coming from the opposition benches, if there is one sector in this country that one can reasonably expect to be free of the normal partisan political posturing, one would think that sector would be the international business sector.

When I went through the Foundations Bill, Mr. Speaker, it became clear to me that, one, we were signalling that the government would focus on a particular area of this sector in relation to assisting persons with wealth and asset management. And therefore, given what has been happening in terms of other jurisdictions, it became incumbent on us to provide a response. And we determined that in doing that we provide a response by means of legislation.

It is no secret, Mr. Speaker, because when the information is put out there to Barbadians in relation to the measures taken by this government to enhance the international business sector, one would see that it is not one, two, three, four or even five measures or approaches that have been taken. But there have been various

approaches taken, Mr. Speaker, cast within the context of our international treaty matrices and certainly underpinned by our determination to expand our international treaty base, our international agreements, and where we have determined that there are emerging markets, particularly in Latin America, also within the context of an Asian economy that is vastly developing.

And therefore it is patently clear that the evolution of the economic policy in Barbados would have to be so structured that it taps into the emerging markets of the world. And therefore you don't have to be a magician to understand that one of our key economic engines, the international business sector, must be so structured and so developed, so changed, that it can respond very quickly within the context of these emerging economies of the world.

And that is why, Mr. Speaker, I want to say that in a debate of this kind, dealing with the Foundations Bill of 2012, we cannot just look at this bill as a single approach. As a matter of fact, I think the people of Barbados, persons here in this debate, would want to be understanding the context in which this bill is being brought to this House. And the context in which I understand it, Mr. Speaker, is that this bill is being introduced in this House as one of the key products which we believe are critical to the offerings of the international business sector. And that it is cast within a context, Mr. Speaker, of a world economy that is rapidly changing.

And therefore, the true issue, or the true question which has to be put, is that this has to be construed as an approach being adopted by the Government of Barbados - a proactive approach that will pay dividends in relation to what is happening in the international business sector. And I mentioned this, Mr. Speaker, because I think it ought to be made clear that the determination of this government to approach issues of a fiscal and economic nature has to be cast not in a simplistic view or a simplistic approach which we hear so often from the opposition benches, but it has to be cast within a wider net of an economy which we must continue to diversify at all levels.

And we have seen it, Mr. Speaker, we have seen the fundamental errors made by the Barbados Labour Party in relation to how we should manage our economy. And I dare say it had been simplified for political purposes. But we know that the only way to ride ourselves out of an internationally driven recession is by putting in place practical measures, particularly within the context of the drivers, the key drivers of our economy, in that we have to put in place practical measures that are designed to be resilient and that are designed to ensure that we could have an economy that can withstand future economic shocks.

And they will come in the future, certainly since 1994. And, of course, if you look at any of the international reports, the IMF worldwide, they have all said the same thing - that an open economy like Barbados has got to so position itself in terms of a very wide, diversified base, that in the event of international recession, it has a cushion. And I say that this particular Foundations Bill, Mr. Speaker, represents a very precise and incisive policy decision to ensure that our international business sector is not only spoken of, because we have heard the opposition speaking about the international business sector in terms that you don't hear any substance.

And I listened very carefully to our members, and the only thing I can remember from what was said was that it was felt it was not necessary, but you didn't hear any precise remedies or recipes for improvement. But of course, what we have done is rather than watch draft documents laying on shelves, we have done what we have traditionally done - since coming to office, we have brought this legislation to this House.

In examining the legislation, Mr. Speaker, I'm satisfied in relation to the measures because we all recognise that while we want to put in place products that are attractive in terms of the international business sector, we recognise that given the regulatory environment - not only in relation to Barbados but internationally - we have to structure our legislation in a manner that not only protects us but that can withstand international scrutiny.

And I am happy, Mr. Speaker, and satisfied that this bill makes provision for a number of things, not only in relation to the keeping of records and accounts and so on, but it makes requirements - makes provision for a registered agent to be appointed in Barbados. Of course, it also makes provision for proper disclosure of information, the collection and disclosure of information by the Registrar of Cooperatives. But most importantly, I think that this bill has some serious provisions in relation to the compliance inspections and the duties, of course, of the Financial Services Commission which this government would have established.

In other words, the establishment of international foundations in Barbados by this bill, once it is passed, will not be clothed in any secrecy or any such thing, but will be subjected, Mr. Speaker, to disclosure arrangements and compliance arrangements that will withstand international scrutiny.

I would also like in closing, Mr. Speaker, to just comment very briefly in relation to the attractiveness of the type of foundation that we are seeking to establish. In a sense, Mr. Speaker, there are a number of already established foundations across the world. We know that there are entities which meet the test by means of their

charter, that they meet the test of a foundation set up in different parts of the world. What is happening globally, Mr. Speaker, is that countries see opportunities in relation to attracting wealth owners who either control assets of significant proportions or who have custody of foundations for various purposes, and these exist all over the world. The attractiveness is ensuring that you could tap into that particular business and create the kind

of circular flow of funds within these foundations. But of course, we can benefit. We can benefit because the addition of a foundation in terms of the whole gamut of products in the international business sector in Barbados, it means that Barbados as a destination, as an international business centre becomes more attractive. It also means, Mr. Speaker, that in relation to income, in relation to income generated from the operations of foundations in Barbados, because the bill, as I understand it, does not seek to tax foundations or tax beneficiaries of foundations where those beneficiaries are not resident in Barbados. In other words, we are talking about income generated in Barbados and that of course there will be a special tax arrangement for that income which is generated in Barbados. That income will not be subjected to the normal arrangements on the Income Tax Act, but under special arrangements, special requirements set out, of course, by the Minister of Finance that creates, Mr. Speaker, an opportunity for Barbados not only to stand out in terms of how foundations are managed and so on across the globe, but to create a special tax regime where Barbados earns income.

Of course, we need to understand that we are in the business of international business, not only in relation to competing with other countries, but bringing valuable foreign exchange to Barbados. And to the extent, Mr. Speaker, that this particular bill, by establishing foundations in Barbados, will bring to Barbados valuable foreign exchange tells me that we are moving in the right direction in relation to this particular issue of the need for Barbados to earn foreign exchange. That has been the topic and theme for many months in Barbados in relation to what is happening across the economy of Barbados, in relation to the ability to grow foreign exchange. This is one of the practical measures which will bring foreign exchange into Barbados.

And therefore I say that it is interesting because once this government lays down the foundation upon which the foreign exchange which we require as a small open economy will be earned, who wonders what else the Barbados Labour Party will speak about because they cannot attack this particular bill for not being proactive as a measure to earn foreign exchange. And therefore I sometimes wonder, because I think that this is one of those measures that certainly ought to be supported. I believe that the necessary safeguards are built into the bill before the

House to ensure that it can withstand the kind of scrutiny that of course we know that we are subjected to.

So therefore, Mr. Speaker, with those remarks I am happy to be associated with this bill and I again would like to commend the minister who has the responsibility for international business within a very short space of time for, in my view, putting in place a record number of matters and initiatives and indeed legislation that will take this international sector to further heights. And therefore, Mr. Speaker, I am obliged.

Mr. SPEAKER: Honourable Member for St. Lucy.

Hon. D. St.E. KELLMAN: Mr. Speaker, I too join the debate and to make the point - is wanting to criticise. But when one looks at the persons who are criticising and recognise that one of them would have had and would have been carrying the mandate to push this sector. When one compares what this minister has done to the minister who previously held the brief, one can easily recognise why the other member is criticising the present minister. Because one can criticise, but one can deliver. This minister has delivered every time that you have asked of him. Every change that the international centre has made, this minister has brought the necessary change to this House to ensure that we have kept the pace with the changes going on in the international business sector.

And I am saying, Mr. Speaker, that one of the things that will stand out, that will make a difference between the two parties is that this party was not the one that came to the House and made this the main line item in the finances of this country for purposes of foreign exchange. The last government, the BLP government, dropped manufacturing, they dropped agriculture, they nearly dropped tourism and picked up the offshore business sector and focused. They killed the rich farmer inside. How can they run the economy on the sector alone? Not only their finance, sir, but they started about all the other sectors and walked about on a warfoot, sir. And now that the sector has shown that you cannot necessarily depend on it, sir, that it is vulnerable once there are problems with the economic situation in the world, they are now behaving as though the blame must be given to the Honourable Members of St. Peter and all of the ministers who caused the sugar industry to cut back sugar production by 10 000 tons of sugar. Who cut back the pork production? Who cut the milk? Who covered the egg production?

Mr. Speaker, the only time in the world I have ever heard or seen a government in a small open economy cutting back anything is this previous government - only the Barbados Labour Party. They cut back everything in the productive sector, all because they went to bed with something called the offshore sector and did not recognise that it was very vulnerable. But now that we have

recognised it, they want to give the impression that we are retarding the progress of this sector, when one sees that everybody throughout the world is now focusing and trying to get a buy-in.

And I want to say, sir, that we have not diminished the sector - what we have done, we have been able to diversify the sector. And that is the most important thing, sir. And that is why today we are here with the Foundations Bill, because we recognise that we must diversify the sector and that we must have different offerings. Mr. Speaker, there is no doubt that diversity has a special place in the heart of many countries. And that is why we cannot operate on one leg. But we must have a multiple approach to the way we finance our economy because we cannot, even though we want to have the business, we cannot be on the wall appearing to be in a diving-ball situation and leaving our economy on a war structure, sir, so that people will believe that we are dependent on them.

Instead of that, sir, in the crisis in the world we have been able to diversify our offerings - not only our sector but we have been able to rebuild agriculture, we have been able to rebuild tourism, we have been able to rebuild manufacturing. And I am saying, sir, that we have set a proper foundation for this country and one thing we cannot do is to give it up for it to be bastardised and destroyed once more. Because the history is here that whenever we have laid the foundation the other side comes and they destroy everything and that makes it much harder for us. And it takes more men to rebuild what they have destroyed.

So this evening, sir, I want to congratulate the Honourable Member for the international business sector. He has done a fantastic job. You know what I like about him, sir? He has quietly worked above all the criticism. He quietly worked on what he has to do, sir. And whenever they attack him he is able to deliver the goods, sir. And that is why, sir, the people in his constituency must admire the number of pieces of legislation that he has been able to bring to this Parliament so that whenever there is a criticism of the minister he has been able to bring the national legislation to ensure that the criticism is false. They have no ground and you will hear a lot of it within the next few weeks.

But the important thing is, sir, as I was able to demonstrate earlier today, sir, they criticise us but they do not realise that when they are criticising us that we have the statistics to prove that four and a half years in a crisis time we have been able to do better than them in 40 years of what they call plenty. But when one looks at the record, sir, one recognises that the 14 years of what they call plenty was really 14 years of make-up and under that there was no foundation.

So Mr. Speaker, I want to thank the Honourable Member for the international business sector. He has been able, within the last five years, especially in this sector, to have done a very good job. And I want to congratulate him and I want to say to him to continue in the quiet and smooth way. He is like Michael Holding, sir - visit the ministry, sir, just cool and quiet but his delivery is very dangerous, sir. And he has been able to knock up many stumps, sir, because whenever they criticise him, sir, he has been able to prove, sir, that he can do more than what the former minister who is not here and the one who is outside talking has been able to do and all of the time, sir. Don't worry, sir. When one looks at the average and the number - the best boxer - and does the average, one will recognise that his average is a lot better, sir, than any minister on the other side, sir. And I may even go further, sir - when you put them all together, sir, he has been able to deliver more than them on average. I thank you very much, Mr. Speaker.

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

Mr. R. C. EASTMOND: Thank you very much, Mr. Speaker. Among the misfortunes that just issued from the last speaker came that the Barbados Labour Party destroys everything - he says that the Democratic Labour Party would install programmes and the Barbados Labour Party would. I seem to remember. I certainly remember you were all about destruction. A failed policy of the Democratic Labour Party in respect of fire trucks that were brought to Barbados and never could work, and a crematorium that was supposed to come and never came. I also remember a project attracting Canadian attention with a man who allegedly used his position to help advance certain knowledge. The other member is misleading the House, sir. Yes, it was not the Democratic Labour Party, sir. The other member said, sir, that they built Greenland and they never received any garbage. He rose up. Permit me to address him, sir, but he is comfortably the most discourteous member of parliament notwithstanding the presence of all other members. I think they are competing not necessarily for leadership of the Democratic Labour Party but to see the extent to which they can make a political contribution - 100 per cent of their efforts.

Now, sir, I never intended during this short peroration to attack anybody. But let me begin by saying that it was Tom Adams who, to his credit, way back in our political history, developed a fascination for what he himself called the offshore sector. To the amazement of many Barbadians, Tom was accused of bringing the wrong types of business here. But the position is, sir, that when we look at all that we have been doing, including the shortage of natural resources and including the need to broaden the economy, it has been necessary to develop this sector. And I am happy that more than one, more than two,

more than three members of this parliament on either side have developed an appreciation for this matter.

We were - if you go back to the electoral record - seen that in 1967 the British had been saying that Barbados is built off sugar and groundnuts. Adams and his contemporaries could not have imagined an economy in which sugar was not the dominant product. Sir, you hear often, sir, people talking about the need to restructure the economy. I have never spoken about restructuring an economy. I will speak about diversifying an economy. And as the honourable member for St. James Central knows, that diversification could take place within agriculture and could take place on many other fronts.

Sir, our efforts at offshore have been generally well received. It is just that, as a cynical, sceptical individual, there are times when I wonder whether we really are maximising the due diligence process. I used to hear people talk about due diligence and I was wondering. And then when I discovered, I realised that due diligence involved four or five agencies which did not necessarily have the resources to really do some scanning. So that down through the ages you will see that business A, business B, business C's licence to operate has been revoked.

Sir, what the Barbados Labour Party would have done in respect of the sector is to try to defend the sector against attack. We found ourselves a short while ago attacked by the OECD. They wanted to blacklist Barbados at one point, and then they wanted to say that we were encouraging all forms of transfers of money to the detriment of the OECD. I am not satisfied that the OECD is a legal entity as such. I am not satisfied the OECD has any right, moral or otherwise, to interfere with us where we have actually been conducting our affairs. And so, in defence of the Barbados Labour Party's stated policy to develop relations with others, especially in matters of foreign investment, foreign trade, and foreign matters, we took the bull by the horn and opened an embassy in Geneva.

Now, the work of that particular embassy in Geneva is a great deal of work. And to the credit of the Barbados Labour Party, we not only established the consulate or the embassy in Geneva, we then started to attend the meetings involving a number of international business managers. And getting back, sir, I was about to make a point. And before your eyes, sir, two or three other members were signalling to me. But let me tell those members - dinner is not ready yet. We are going to do it.

The agitation that has been experienced in what is a competitive and turbulent and vulnerable environment is that as we consider what we have been doing, we have not only employed that embassy in Geneva to do our work, to attend negotiations, to bargain and such, but we have also

done our utmost always to comply with that which is reasonable and that which is fair. The position, sir, is that you would have heard honourable members today talk about civil law legal systems and common law legal systems, but from a jurisprudential angle, this piece of legislation is heading straight for what we call the conflict of laws, or international private law, which has a common law flair about it from the point of view that when you digest international private law, you are looking primarily at a number of decisions across the globe. And what I am saying is that from the view of enriching Caribbean jurisprudence and in particular Barbados jurisprudence, this legislation, without entering into the volumes of legal literature in respect of trade between countries, I may mention the need for us to diversify.

I want to ask the honourable member for St. James Central, whom I congratulate on having endured several fights up until now. I want to congratulate the honourable member for St. James Central on this occasion for being what in horse racing terms is called an honest person. He may not be cavalier or charismatic in the old-fashioned sense, but he means well. The honourable member for St. James Central - my old school - I learned something from him. But listen. So when we look at strides in our local economy, when we look at institutions in our local economy, when we look at policies, we will have to ask certain questions.

In trying to cook Barbados forward, the Barbados Labour Party had contemplated a very healthy ship registry. Now, why do I introduce this thing about our ship registry? Because clearly I can see the economic benefits arising out of a well-managed registry. So by paying attention to the honourable member for St. James Central, who said let us go together - none of us got our punishment at school. The only misfortune is that he managed to remain there while certain forces enticed me. But he does very often praise me. But getting back to the matter of the ship registry, we have to sit and review where we are. We have to look to see what systems are here or are to be in the future and how we can maximise any return from attention to the ship registry in a way that will benefit Barbados.

And I believe that even the honourable member for St. Lucy understands that, because the honourable member for St. Lucy - his biggest attribute is that nobody really understands. If he speaks, every human being north of Eagle Hall would have interacted with the honourable member for St. Lucy. He gets information from people, sometimes he gets it fast. The only problem is that he does not always understand what comes his way. That is the only problem. He does not always understand. But he will persevere and persevere.

Until later, sir, so that as I close on the ship registry, I would like the honourable member for St. James Central,

when wrapping up, to just tell us where we stand. I want the honourable member to find out something in which I have an interest, and the honourable member for St. Philip South, who in my judgement is an expert in this matter. I am serious. The honourable member for St. Philip South is so good that a postgraduate class at the University of the West Indies approached me for advice. I approached the honourable member and the honourable member did a tutorial among these students, all of whom passed through his efforts, and they have kindly told me to say thanks to him.

Sir, the attitude of the rich countries, whether you call them the G20 or the OECD, is such that they can be the destructive forces. When the OECD started to confront us wrongfully, they effectively swept foreign sales corporations from under our feet. We lost foreign sales corporations not because of any failing in the Caribbean, but precisely because the mighty and the powerful went after them. And we lost jobs and income from a special legal entity called the Foreign Sales Corporation. Luckily, a lot of the people who lost their work have found work, certainly by being sufficiently skilled to prepare themselves.

So the decline in international business is unfortunate, the loss of jobs equally unfortunate. I would want the honourable member for St. James Central as minister to tell us where we are in respect of our capacity to compete. Because the typical Caribbean scenario, from Suriname and Guyana down to Jamaica and the Bahamas, the typical Caribbean scenario is that we want foreign investment, that we need to diversify, but in the process, our closest friends in the Caribbean are also our closest rivals. So what we need to do - and the honourable member for St. Joseph suggested it - what we need to do is go past what we have done so far.

Let me tell you, this honourable gathering, to you, Mr. Speaker, a little tale about competition in the Caribbean, about the fact that our neighbours are also our biggest rivals in this matter. And let it be said that Invest Barbados has set up shop - not now, but a while ago - the honourable minister has to ask Invest Barbados for a full report as to their efforts, a full report as to any possible constraints, a full report of all that has transpired there. And research - cheap but precious, viable research - needs to be undertaken to find out what really the constraints are.

There has been a hue and cry from the time I first came to this parliament. There has been this hue and cry repeatedly, Mr. Speaker, that there are Caribbean economies that compete against us and get the better of us. And we have heard charges that it is too tedious and lengthy a process to approach Barbados for investment. And I want that matter addressed. I heard rumours with almost exact numbers, and there are a lot of entities which

wanted to come to Barbados and which were confronted by bureaucratic red tape to such an extent that they turned away.

Now, what is regrettable about what I just said is that it is not fair to Barbados when people are going to bypass us. It is not fair to Barbados when our Caribbean neighbours tell investors that they can fast-track matters quicker than Barbados. I will not, if the investors listen to them, envy those who captured market share from us. Because in all fairness, I feel that between when the investor shows an interest and when the application is eventually approved, I honestly believe it is in Barbados's best interest in the interim between the application and the grant to check out these people. I am serious. In other words, rather than go public and say that Barbados's practices are dangerous and things like that - leave Barbados alone to govern its affairs. Trust us in Barbados while we ourselves on this sovereign piece of rock go about putting measures in place that are wholesome, putting measures in place that are non-authoritarian and non-tyrannical, so we can carry out the basis of development.

Let me thank you, sir, for permitting me this intervention. Let me thank the people of Barbados for their interaction with me over the years. Let me thank all members of the north of Barbados. I am saddened that a good friend of the Democratic Labour Party passed away - Mr. James Corbin. I give my sympathy to the Democratic Labour Party. Not all of them know how close he was to the late Prime Minister, but he was one of the entrepreneurs and early pioneers - known as JJ or Swingfoot. Again, I thank everybody from Speightstown to Holetown. And I want to thank you as presiding officer for never having set me up, sir. I want to thank the presiding officers and staff. And once again, sir, I want to say that my faith in the parliamentary process is great. There are particular individuals who shall reside in my heart. I will not name them on this occasion. I ought to try to behave myself wherever I go in the coming months.

Mr. SPEAKER: Yes, honourable member for St. Michael West Central.

Mr. J. D. PAUL: Mr. Speaker, I rise to participate in this debate. And one of the things that I believe that we need to recognise is that we have, especially when we listen to the member for St. Joseph, sir, we had a situation where it seems as if the Democratic Labour Party, sir, is being presented to the Barbadian public as if we are not serious in terms of trying to attract the necessary investment to this country that would at least, sir, help ensure future prosperity.

And, sir, listening to the arguments that have been presented, sir, certainly one of the things that I seem to hear resonated from the other side is that at each time we should

be seeking to drop standards. We should be seeking not to do due diligence, act with haste and, sir, bring whoever in a mad grab, sir. One of the things, sir, that certainly we have done over the years is to ensure that the quality of the investments, sir, that we have attracted to Barbados, sir, are ones, sir, that can stand up to international scrutiny.

Not only that too, sir, when you look at it, and I think that the minister was very careful to point it out and others were careful to point it out, sir, and I think Barbados needs to understand that. That the thing is, sir, that at the same time these individuals bring in millions and millions of foreign exchange that of course, by the tax rate that we charge, we can benefit from. I think, sir, that we need to point out to Barbadians that really, because of the very low tax rate, it is true that we benefit.

And what we are seeing increasingly happening, sir, today, especially because of the fact that we have the international recession, is the fact that many of these businesses now are asking for countries to give more and playing off one country, sir, against another, sir. The thing is that as Barbados we have to ask, sir, how low are we prepared to go? And not only that too, sir, it then restricts the ability of Barbados to benefit even more from the resources that are actually brought here.

Because, sir, one of the things that I see - that we seem to hear coming from the opposition benches - is that we can assume automatically that, for instance, what is happening here matches up to what is happening in the other countries in the region. Because we hear, of course, that in other countries you have zero tax rates. And what it actually does when we are in a situation where we are actually trying to gain additional tax revenue - what it means is that by bringing these companies here we are not actually gaining any further tax revenue. I think that the opposition needs to be very clear when they say that to Barbados.

So in that respect, what this country will be gaining by bringing these companies, sir, is merely cash flow. That is what we will be bringing. And to that extent, sir, it limits the ability of Barbadians, our treasury here, to benefit. And, sir, you know, when you listen to them, it also reminds us of the motives of the opposition - when is there to sell Barbados? To sell it off. To sell it off to foreign investors where in a sense foreign investors get first preference in everything.

I want to say, sir, that this Democratic Labour Party, sir, has shown responsibility over the years in terms of trying to ensure that the kinds of businesses that we bring in are, sir, ones that at least can stand up to international scrutiny, sir. Not only that, sir, we have tried to ensure that the businesses that we bring will actually bring added value to our current business at the same time.

So I think, sir, that in a sense the opposition, sir, is not being frank in terms of telling Barbadians, sir, the implications and the extent to which we can actually benefit, sir, from initiatives such as these. I want, sir, to compliment the Minister for International Business for at least moving in this direction and at least finding creative ways in which we can bring international business companies of repute and, sir, being able then to benefit from that kind of situation.

Now, sir, the other point I wish to make - we always compare ourselves, sir, to other Caribbean jurisdictions. And when you look, sir, at some of the jurisdictions that we compare ourselves with, we have situations where there are people and there are nationals in those jurisdictions, sir, who actually complain about the types of companies that are brought into those jurisdictions. They actually complain. And not only that too, sir, Barbados is held in very high regard in terms of ensuring that due diligence is done.

In that way, sir, I really cannot understand what the point that the member for St. Joseph was trying to make in terms of speaking to the minister in that manner, because I am sure that basically what we have done is at least - and we cannot dispute that - I think that we have to applaud the initiatives that we have seen from the minister as far as this is concerned. And not only that, sir, we have to applaud the fact that he has exercised due diligence in trying to ensure that we bring the type of business interest, sir, that will at least add greater value, sir, to us at the same time.

What I hear from the opposition, sir, is that we should be reckless. That is what I hear from the opposition. And I do not mind going out and explaining to the public here what I mean when I say reckless, sir. When you are going to compare, sir, to jurisdictions in which they charge a zero per cent rate of taxes and we charge two and a half per cent - you see, because what it is, it is a race to the bottom. Because what we do and what these people do is play one person off against another.

You know, when you bring a fish - and I know that for St. James, like this one, when fishermen come in, sir, without a fisher in the market, sir, what happens - the hawkers come, sir, and you play one fisherman off against another. And in some cases, you know, fishermen will complain, sir, that in some cases they make less. So what they are doing, sir, is that they are encouraging this Barbados Government, sir, to move to a situation where the ability of the country, sir, to benefit from international business companies that are in Barbados, sir, may basically reduce our benefit. And these are very hard choices, sir, in these times when we know there is an international recession on.

And at the same time too, sir, I say again, the opposition, sir, did not come to the forefront in saying to Barbadians that we have had to make some hard choices and certainly we cannot fault the Government, sir, on the position that it has taken, because what we are trying to do, sir, is adopt a balanced approach and try to ensure, sir, that we do not give up too much, but at the same time too, sir, try at least to ensure that we maintain - at least we get something, sir, for Barbados besides just the cash flow that will be coming to this country.

And I think, sir, that is the point, sir, that we have to remind Barbados about - that, sir, we have been extremely responsible in this regard. The minister has done, sir, I think, excellent work. And I think that we have to avoid comparing ourselves, sir, with jurisdictions that even, sir, in terms of international scrutiny, sir, do not even rate in the same way, sir, that Barbados does at the same time. And that is the essential point, sir, that we need to make.

We talk about countries, sir, around us that we have seen having huge problems from time to time. And not only that too, sir, we also do not recognise that even in those countries the level of social services that are offered by those governments, sir, to their citizens, sir, are even less than what we offer, sir, in Barbados. I want to make the point, sir, that we need to recognise - I mean the state of Barbadians - how do we finance that, sir? We finance that, sir, by the fact, sir, that we get taxes. But if we actually reduce our ability, sir, to get taxes, what happens?

And I think so that the ordinary Barbadian must understand that basically, sir, we do not want to create a banana plantation, sir. We do not want, sir, to reduce the ability of Government, sir, to provide services, sir, to its residents. So that is why sometimes, sir, when we are making these choices, sir, we have, sir, to take all of these things into account. And the opposition, sir, knows that. But I know, sir, that in a sense a lot of them are on the way out. And the thing is, sir, that they did want, sir, to at least cause doubt in the minds of Barbadians about the ability - and not only that, sir - about the fact that this Democratic Labour Party administration, sir, is trying to act in the best interest, sir, of Barbadians too at the same time.

And they are taking decisions, sir, that ensure that instead of trying to get to the bottom of the barrel, sir, that we remain on top at the same time and take responsible decisions. And we do not need, sir, to compare ourselves with other jurisdictions in which, when you look at the citizens in those countries, sir, governments find themselves, sir, unable to enable, sir, their citizens to benefit, sir, in the same way, sir, as we do. And that is the essential point I want to make, sir.

I want to say that I support the legislation and I want also to compliment the minister on the fact, sir, that he has

been able to bring such legislation, sir, to Parliament. Thank you very much.

Mr. K. St.C. BEST: Mr. Speaker, I want to rise and voice my support for this legislation, sir. I must support my colleague from St. Michael North West and it is here to really indicate that persons of the Barbados Labour Party want us to treat Barbados as if we have no standards. First of all, sir, I want to compliment the Minister for taking this brave step to bring this piece of legislation to this Parliament, sir. The Barbados Labour Party have pondered and wandered and lost their way in relation to having this legislation here, and I want to congratulate the workers and praise them, sir, for the outstanding work that they have done, sir, in ensuring that this piece of legislation, sir, reaches Parliament, sir.

The life of Parliament has not come to an end, sir. And we hear the mouthpiece of the people on the other side indicating that we have rushed this legislation, sir, all because election is in the air, sir. One should recognise, sir, that the important thing about what is happening here is that the legislation is here and we are ensuring that Barbados, the country that we love so dearly, benefits from having this legislation in place. And we are not trying to portray Barbados as some dark hole, as has been portrayed, session after session, by the persons who had the fortune of leading this country for the last 14 years - a period of insanity - because the people of this country have spoken, sir, in 2008, that they decided that nothing that is beneficial to Barbados should they support, that they should criticise for the sake of criticising, sir. They believe in glitz and glamour, sir.

So I believe, sir, that they are behaving so because all this night involved fireworks have just been exhibited, and I believe they are so familiar with this west coast where they sold to the highest bidder and the glitz and glamour that is exhibited on the west coast on Old Year's Night. That is what the pattern of the Barbados Labour Party serves. But this party is a party of sound foundation who is looking out for the development of this country and the masses of this country. Sir, we are not going to build any house on sand, sir. We are going to ensure that those persons who want to invest in this country, that we do the necessary due diligence, sir. That we can raise our heads high and stand up to any scrutiny from any organisation on the outside, sir.

When it comes to the whole question, sir, no system, sir, is perfect and no system is foolproof, sir. There are challenges, sir, in all of the ministries. So this ministry, despite the good work, cannot absorb that - they do not have challenges here. But in time, with the sound leadership of the Minister responsible for this industry, those matters will be addressed. They are going to belly and complain that they are now coming here just before

election. They had 14 years here and they did not do anything. The track record of the Democratic Labour Party in this area of international business and other things far outstretches the work of the Barbados Labour Party, sir. The Honourable Member for St. James South was at length to point out the inefficiency and the lack of understanding, sir, and the chaotic behaviour of the Honourable Member for St. Joseph who had the responsibility of championing the cause of the international business centre in this country, sir. But sir, instead of championing the cause of international business, the Honourable Member presided over a catastrophe, sir, at the B IDC building at Newton roundabout, sir. \$7 million. \$7 million, sir.

I am sure, sir, and as a result of that, this country, sir, is forced to suffer the indignity of international organisations downgrading us - because the downgrading of this country did not start in 2008, sir, long before. But you know what, sir? We are still holding our heads up. Civil servants are still receiving their salaries today. Civil servants are still paying their bills because nobody has gone home, sir. Because you have taken a fundamental decision, sir, that none will go home. We will protect the masses of this country, sir. There are some who are saying that the Corporate Affairs Department also, sir, are working steadily, sir, to computerise the whole system, which makes the incorporation time, sir, reducing. We will hear all these stories that you can form a company in St. Lucia and this place and the next place in the matter of hours, sir. But one must ask whether the necessary due diligence that has been exhibited in this country is exhibited in those countries. I am saying, sir, that the Honourable Minister responsible for this ministry, sir, he is not the flamboyant one, sir, that would decide that he will cruise in his yacht or that he would puff cigars.

But one of the worst things you can do in life, sir, is to behave like a cow who gave a pail of milk and kicked it down. Imagine that, sir - the Honourable Member is one of the chief benefactors, sir. His practice is international business. But yet he wants, sir, to make this country believe that the Democratic Labour Party have done nothing for the development of this country and for the maintenance of his practice. But then, sir, one recognises, sir, why this talk of yachts, cigars, and all sorts - because the person who went into sabbatical and said blame me for everything that went wrong in this country for 14 years, sir, decided that because of the depression, the Democratic Labour Party's free education from the beginning of life to the end - as a result of Barbadians accepting that, the education in this country may now drop.

All of us who came from that poor and humble background are being castigated. We must declare assets. We must say where we got our money from, sir. We must say this and we must say the next - that the question of a poor boy from Deacons and the son of a hawker should not

achieve anything in this country. But thank God, the Errol Walton Barrow free secondary, free education - that also for the children of the other people, for the aristocrats - to ensure that we can stand on our two feet. And I am calling on all Barbadians: just do not waste the opportunity to progress in life. Make use, sir, of the educational system of this country. Make use, sir, of vocational training, sir. Every person cannot be a doctor, lawyer, or politician, sir. But listen, sir, if you are the barber, make sure that you are the best. Make sure you do the necessary courses to enhance your development. We might have very well, sir, international barbers wanting to come to this country, sir.

We just had a situation here - breeders from Barbados went to international shows and achieved incredible results, and I want, sir, to big up any number of the average woman. Big up that young lady, sir, who did not only make herself proud but made Barbados proud, sir. And then you want to hear them talking about the poor masses. They only remember the poor masses when election is called, where they want the poor masses for their own enfranchisement. And I know that the good people in this country are listening carefully to what is happening, sir.

One recognises, sir, that the world is in an economic crisis, sir. It was important to the whole crest of the cliff as to where our economy will go, ward of it or not. And there, sir, things - you hear them, sir, masquerading about unemployment, sir, in this country. I have read a document from 1997, sir, under the leadership of the Honourable Member who spends less than 20 seconds or so in this House of Assembly, where unemployment in 1997 was 11.7 per cent, sir - it is now similar. No recession. But I know, sir, that as a result of this legislation, we will see an increase in revenue, an increase of employment in this country. And armed Barbadians, sir, will benefit from this legislation. It might seem far-fetched and detached, but ordinary Barbadians will be the benefactors, sir, of this legislation.

And in closing, I want to say from this floor a prosperous New Year and good health and prosperity to all the good people of St. Michael East and in particular Barbados, the country that I love so dear and the country that I see has a bright future under the Democratic Labour Party - and a country that is not in a dark, deep hole as portrayed by the Barbados Labour Party. And with those brief remarks, I thank you, sir.

Mr. SPEAKER: Thank you. Yes, Honourable Member for St. James Central.

Hon. E. G. HUTSON: In wrapping up this debate, just to thank Honourable Members on both sides of the House for their contribution to this discussion, the debate on this particular Bill. Just to make a couple of comments

before we close, Mr. Speaker. I want to just reinforce the comment made by the last two or three speakers in respect of the need for proper due diligence, in respect of the speed at which companies are incorporating and other transactions go through the CAIPO office. And that is important, that we do recognise that allowance has to be made for that due diligence exercise. Had proper due diligence not been carried out, we would have had Stanford in Barbados. And this is why it is so important that we carry out that particular exercise.

I want to also respond to the Honourable Member for St. Joseph, who made a reference to the fact that there is no specific tax rate within the legislation. That is deliberately so, Mr. Speaker, to give flexibility to the Minister of Finance in terms of his capture of entities under this foundation Bill. But the whole idea would be to try to harmonise the taxes among the international business sector, but there is no specific rate in there so that the Minister of Finance will have that degree of flexibility.

I want to also say, Mr. Speaker, in respect of the marketing of the international business sector, which is done to a large extent by Invest Barbados, but within the sector - and the Honourable Member for St. Joseph knows that the sector is primarily marketed by the private sector - it is important that that also continues. A lot of the products that we market within the particular sector are technical products. It is not that you are going out into a foreign jurisdiction and putting up an ad on the television or whatever. It is not that type of marketing. You are marketing to other professional practitioners and so on. So you have to have a technical understanding of the products that are being marketed. We have Invest Barbados, along with members of the private sector practitioners in Barbados, who have done several marketing initiatives into places like Mexico and other South American countries to promote the international business tax structures using Barbados to facilitate investment in and out of Latin American and American countries. It is from the result of those marketing initiatives that feedback comes

into Barbados as to the type of products that we need to market, that the industry is calling for, and the type of initiatives that have to be contained within the particular piece of legislation. The decision as to where we put our double taxation agreements and so on - all is done in harmony with where we are going to focus our marketing efforts. And that is why, over the last three or four years, we have put the Panama double taxation treaty in place. We have worked with the Mexican treaty. As I said during my presentation earlier, the treaty with Chile is at an advanced stage and we are actively pursuing the treaty with Brazil, trying to bring the Brazilians to the negotiating table, as well as the Colombians. So nothing is done in isolation. You always marry your double taxation agreements with where you see the market going in the

future - you monitor where investment flows are going and you try to position Barbados to be able to be at the cutting edge, so to speak, of the investment in that particular area.

We have a double taxation agreement with Cuba, Mr. Speaker, which was agreed - which was signed, I think, back in 1999. Obviously, at that particular point in time, people anticipated that Cuba was going to be opening up, that the embargoes and so on against Cuba would have been lifted, and that Cuba would be the beneficiary of a lot of foreign investment. And that treaty was put in place so that when Cuba comes, when the embargoes and so on are lifted on Cuba, Barbados will be one of the countries in a position for investors to use that double taxation agreement to their advantage, and investors will be in a position to use the vehicle - the Barbados double taxation treaty - as a vehicle for the inward and outward flow of investment into Cuba.

So, Mr. Speaker, one last point I would want to make on this thing is to commend the officers within the Ministry of the International Business Unit. Within the ministry over the past four years, as has been said by other members in the chamber, they have been heavily involved. It is only one legal officer that we have within the unit. Representations have been made, coming out of the consultations that we have had, for the institutional strengthening of the international business sector. And the CAIPO recommendations have been made to increase the human resource component of the international business unit. But until that is done, the work of the ministry is to a large extent confined by the manpower challenges that we have. And as I said, with one legal officer, we have been able to get the Financial Services Commission to pass the International Corporate and Service Providers legislation, amendments to the SRL Act, as well as to the Companies Act, the private trust legislation, and today the foundation legislation.

When you put a piece of legislation together, it is not just sitting down and scribbling off the clauses. Research has to be undertaken. There has to be consultation with other practitioners and with other stakeholders within the industry. And these things, Mr. Speaker, will take some time to go through that particular process in developing the legislation and making sure that we get the legislation as correct as is possible. Obviously, there are challenges within the CPC office in terms of getting a lot of legislation through quickly, but these are challenges, Mr. Speaker, that the Government is trying to actively deal with to facilitate the speedy passing of legislation. So, Mr. Speaker, with those words, I would want, Mr. Speaker, to beg that you do now leave the Chair and the House resolve to read this Bill a second time. I beg that this Bill be read a second time.

The question was put and resolved in the affirmative without division and the Bill was read a second time.

Hon. E. G. HUTSON: Mr. Speaker, I beg that you do now leave the Chair and the House resolve itself into committee for further consideration of this Bill.

The question was put and resolved in the affirmative without division and Mr. SPEAKER left the Chair and the House went into Committee, Mr. J. D. PAUL, Chairman of Committees, in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is now in Committee.

Clause 1 was called.

Hon. E. G. HUTSON: Mr. Chairman, I beg to move that clauses one to four stand part. Mr. Chairman, I beg to move that clause one be amended for the Act to be cited as the Foundations Act 2013.

The question that the amendment be made was put and resolved in the affirmative without division.

Clause 1, as amended, was passed.

Clauses 2 - 4, inclusive, were called and passed.

Clauses 5 - 12, inclusive, were called.

Hon. A. D. BRATHWAITE: Mr. Chairman, under Part two, if I can be allowed to make a slight intervention here under clause six, in particular with respect to the registration of a foundation. As you can see, what is required is that a certified copy of the charter of the foundation written in the English language, a statement signed by or on behalf of the founder, setting out the name and address of the registered office of the foundation, the particulars of any initial assets to be transferred to the foundation, the particulars with respect to any person who is the secretary of the foundation, the particulars in relation to the councillors and any other particulars provided under or in accordance with this Act.

I want to make that point because it was suggested by the other side that it was a complex registration process. And indeed, I just want to make the point that the registration process is no more complex than if you are incorporating a company. It is quite clear in the bill under clause six, subsection one, what the registration is required.

I also want to make the point under clause six, subsection three, that it is clear that the foundation shall be a separate and independent legal entity in its own right, and shall be capable of suing and being sued in its own name. In other words, that illustrates my point in my presentation earlier, that indeed the foundation is akin to a corporate entity as opposed to a trust, which, as you very well know,

Mr. Chairman, a trust cannot sue in its own right. The trustee has to, but the foundation is akin to a corporate entity. And indeed, I want to make that point in particular for the members on the other side who spoke earlier this afternoon.

But it is really clause six, subsection two, that I wanted to highlight to this chamber, because clause six, subsection two, basically says that we can establish a foundation in a language other than the English language. Because, as we were saying, we recognise that there are markets outside of Barbados that we want to encourage to use this jurisdiction, and in particular markets where the first language is not the English language. So that if someone in Mexico or Venezuela or any Spanish-speaking country wants to establish a foundation in the Spanish language, then they can do so by filing the documents in the Spanish language. And again, if someone in Brazil, for example, wanted to establish a foundation and use Portuguese, indeed the documents can be filed in the Portuguese language along with a certified copy in the English language.

The point here that I am making is that when we envisioned the legislation, we envisioned the legislation being used by all, not just native English speakers. And we want to encourage them to use Barbados as a jurisdiction. And we want to encourage, where applicable, that indeed they feel free, that they can incorporate the foundation in their native languages, which will be easier in lots of cases for them to read and understand.

We have a clear vision that we want to encourage Barbados to be used by the world. And therefore, it is my vision, as it is the vision, I am sure, of the ministry responsible for international business, that we can move in the direction of having documents filed with us in various languages. And you would have heard us earlier this afternoon suggesting that not only do we want to move the business forward, but we want to move our people forward. So we will ensure that Mandarin is taught, our young people can learn to write and speak Portuguese and Spanish and French, that whatever is required, this little village, Barbados - because we are indeed a little village within the context of the world - this little village, Barbados, that wherever you are from, you can come and work and do business in Barbados. And there will always be someone who can converse with you and who can see you through whatever business transaction that you want to engage in.

As I said, that is why this particular clause six, subsection two, was incorporated into this bill. It is the first bill that I believe, in Barbados, that we have actually signalled that you can incorporate documents in a language other than the English language. But I am sure, and I preempt the Minister here, that indeed in other pieces of legislation we will ensure that this becomes the norm.

Because we want to cater to all, and we want to cater in particular to our neighbours in the emerging markets where the English language is not their first language. With those few words, I thank you, Mr. Chairman.

Clauses 5 - 12, inclusive, were passed.

Clauses 13 - 18, inclusive, were called and passed.

Clauses 19 and 20 were called and passed.

Clauses 21 - 23, inclusive, were called and passed.

Clauses 24 - 32, inclusive, were called and passed.

Clauses 33 - 37, inclusive, were called and passed.

Clauses 38 - 40, inclusive, were called and passed.

Clauses 41 - 48, inclusive, were called and passed.

Clauses 49 - 54, inclusive, were called and passed.

Clauses 55 - 60, inclusive, were called and passed.

On the motion of Hon. E. G. HUTSON, Mr. Chairman reported to His Honour, the SPEAKER, the passing of one Bill in Committee with one amendment and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. E. G. HUTSON, the Bill was read a third time, passed and cited as the Foundations Act, 2013.

ADJOURNMENT

Hon. J. D. E. BOYCE: Mr. Speaker, sir, we have come to the end of Government Business today, and I beg to move that this House be adjourned until Tuesday, January 8th, at 10.00 a.m.

The question that the House be adjourned until Tuesday, January 8, 2013 at 10.00 a.m. was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.

CONTENTS

MINUTES

Hon. J. D. E. BOYCE.....1

ORDERS OF THE DAY

SUSPENSION OF STANDING ORDERS

Hon. J. D. E. BOYCE.....1

GOVERNMENT BUSINESS

ORDER NO. 8.....1

Hon. J. D. E. Boyce, 1; Hon. E. G. Hutson; Hon. A. D. Brathwaite.

RESOLUTION FOR \$1 039 946 - SUPPLEMENTARY
ESTIMATES 2012–2013 NO. 11

Hon. J. D. E. BOYCE.....2

Dr. the Hon. D. S. Lowe, 2, 13, 20; Mr. R. C. Eastmond, 4; Hon. D. St.E. Kellman, 5, 7, 8, 9, 13, 14; Miss C. Y. Forde, 7, 8, 9, 10, 17; Hon. R. D. Jones, 8, 18; Mr. K. St.C. Best, 9, 10, 11, 12; Mr. G. A. Clarke, 11, 12, 13, 14; Hon. S. A. Lashley, 13; Hon. D. O’N. Inniss, 14; Hon. P. M. T. Todd, 16, 17.

RESUMPTION

ORDER NO. 8 (resumed)

FOUNDATIONS BILL, 2012

Hon. E. G. HUTSON.....21

Mr. D. D. Marshall, 25, 31; Hon. D. O’N. Inniss, 29, 31; Hon. A. D. Brathwaite, 33, 47; Hon. S. A. Lashley, 36; Hon. D. St.E. Kellman, 39; Mr. R. C. Eastmond, 40; Mr. J. D. Paul, 42; Mr. K. St.C. Best, 44.

SUSPENSION.....21

ADJOURNMENT.....48

Hon. J. D. E. Boyce, 48.

SPEAKERS IN THIS ISSUE

BEST, Mr. K. St.C. (St. Michael East)

BOYCE, Hon. J. D. E. (Christ Church South)

BRATHWAITE, Hon. A. D. (St. Philip South)

CLARKE, Mr. G. A. (St. George North)

EASTMOND, Mr. R. C. (St. James North)

FORDE, Miss C. Y. (St. Thomas)

HUTSON, Hon. E. G. (St. James Central)

INNISS, Hon. D. O’N. (St. James South)

JONES, Hon. R. D. (Christ Church East Central)

KELLMAN, Hon. D. St.E. (St. Lucy)

LASHLEY, Hon. S. A. (Christ Church West Central)

LOWE, Dr. the Hon. D. S. (Christ Church East)

MARSHALL, Mr. D. D. (St. Joseph)

PAUL, Mr. J. D. (St. Michael West Central)

TODD, Hon. P. M. T. (City of Bridgetown)

DISCLAIMER. This transcript was prepared with the assistance of artificial intelligence tools and is provided for reference only. It has not been reviewed, verified or approved by the Hansard Department of the Parliament of Barbados and does not constitute an official parliamentary record. It may contain errors or omissions, including inaccuracies in wording or speaker identification. For authoritative quotations or confirmation of proceedings, consult the official Hansard record when available.

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 2008–2013 Parliament.

Q1. Front matter. The source does not record the PRESENT list or the officiant at Prayers. The Members listed are those identified from the record; the time of meeting, 10.00 a.m., is as stated in the source. Please supply from the Votes and Proceedings.

Q2. Throughout. The bracketed time-checks in the source for the afternoon sitting are out of sequence ([12.30 a.m.] after the luncheon suspension, running to [3.30 a.m.]) and have been omitted.

Q3. Throughout. Passages printed in italics are uncertain readings from the recording and should be checked against it.

Q4. Committee of Supply. Mr. CHAIRMAN is not named in the source; the Chairman of Committees, Mr. J. D. Paul, is presumed, as Mr. SPEAKER refers to ‘the Chairman of Committees’ reporting. The same is presumed for the Committee on the Foundations Bill. Please confirm.

Q5. Committee of Supply, Head 16. The Head 16 figure is an uncertain reading (‘188,007 and \$3’ in the captions, printed ‘\$188 703’). With Head 73 at \$851 245, the total of \$1 039 946 would give \$188 701 for Head 16. Please check the Supplementary Estimates 2012–2013 No. 11.

Q6. Committee of Supply, after Mr. G. A. Clarke. The intervention beginning ‘Again, the honourable member seems to be mischievous’ runs on from Mr. CHAIRMAN’s ‘Yes, sir.’ in the captions, but it reads as a Member’s point of order. Printed under AN HON. MEMBER. Please identify the Member.

Q7. Committee of Supply, Miss C. Y. Forde. Her intervention during the speech of Hon. P. M. T. Todd begins ‘- to make that point’; its opening words are not recorded. Please check against the recording.

Q8. Foundations Bill, 2012. After the resumption the source goes straight from Mr. SPEAKER’s call to the speech of Hon. E. G. Hutson, which begins ‘The foundation’s legislation’. The Clerk’s reading of the Order, its number and the Minister’s opening motion are not recorded; part of the proceedings may be missing. The title is taken from ‘the Foundations Bill of 2012’ in the debate. Please supply the Order number.

Q9. Foundations Bill, Hon. D. O’N. Inniss. The source runs the Member’s resumption after the interruption by Mr. D. D. Marshall (‘Thank you, Mr. Speaker. And I wish to thank the Hon. Member for St. Joseph for giving full support to my statement’) on under Mr. Marshall’s heading. The captions show it as Hon. D. O’N. Inniss; printed under him.

Q10. Foundations Bill, Hon. A. D. Brathwaite. The words ‘The foundation. I never said that we did not need to have foundation legislation.’ appear in the middle of the speech and may be an interjection, possibly by the Member for St. Joseph. Left as in the source; please check against the recording.

Q11. Foundations Bill, Hon. A. D. Brathwaite. The source reads ‘my colleague James Cock suggested that it’s because the former minister, the member for St. Joseph, was absent from his office’. Hon. D. O’N. Inniss, Member for St. James South, had just made that point, so the passage is printed ‘my colleague the Member for St. James South’. Please confirm.

Q12. Foundations Bill, Hon. S. A. Lashley. Headed ‘HON. MICHAEL A. LASHLEY, S.C., M.P.’ in the source. Mr. SPEAKER called the Member for Christ Church West Central, whose Member was Hon. S. A. Lashley, and the captions also name Stephen A. Lashley; printed under Hon. S. A. LASHLEY. Please confirm.

Q13. Foundations Bill, Hon. D. St.E. Kellman. Headed ‘HON. PETER R. PHILLIPS, J.P., M.P.’ in the source; he was not a Member of the 2008–2013 House. Mr. SPEAKER called the Member for St. Lucy, the speaker refers to what he demonstrated ‘earlier today’, and the captions name Dennis Kellman; printed under Hon. D. St.E. KELLMAN.

Q14. Foundations Bill, Mr. K. St.C. Best. Headed ‘HON. TREVOR A. PRESCOD, J.P., M.P. (St. Michael East)’ in the source; he was not a Member of the 2008–2013 House. No call from the Chair is recorded. The speaker sends greetings to ‘the good people of St. Michael East’, whose Member was Mr. K. St.C. Best, the Deputy Speaker, who spoke from the floor earlier in the day; printed under Mr. K. St.C. BEST. Please confirm.

Q15. Committee, Foundations Bill. The Committee stage is condensed to the Official Report formulae. Clause 1 was amended so that the Act is cited as the Foundations Act, 2013; Hon. A. D. Brathwaite spoke on clause 6 and the remaining clauses were called in groups and passed without amendment.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The House of Assembly met at 10.00 a.m. on Friday, January 4, 2013, with Mr. SPEAKER presiding. On the motion of the Leader of the House, Hon. J. D. E. Boyce, the Minutes of December 18, 2012 were confirmed and Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 were suspended. Under Order No. 8 the House went into Committee of Supply on a Resolution for \$1 039 946 under the Supplementary Estimates 2012–2013 No. 11. Hon. J. D. E. Boyce said the sum under Head 16, Ministry of the Civil Service, would meet increased salary and allowance costs arising from supernumerary posts and pre-retirement leave.

Under Head 73, Ministry of the Environment and Drainage, Dr. the Hon. D. S. Lowe sought \$851 245 for the first of three quarterly payments on a short-term loan to Harrison's Cave. He said 17 of the 70 employees and four of the five kiosk operators came from St. Thomas. Mr. R. C. Eastmond supported the Head, and Hon. D. St.E. Kellman argued that the area around the cave should have been developed for local business. Miss C. Y. Forde asked for a breakdown of the expenditure and raised sewage and housing at Allen View; Hon. D. St.E. Kellman replied that \$1 658 873.13 had been spent in St. Thomas between January 16, 2008 and June 20, 2011. Mr. K. St.C. Best cited the Auditor General's Report for 2011 on cost overruns at the Oistins Fish Market, and Mr. G. A. Clarke, criticising changes of chairman and falling visitor numbers, was repeatedly called to relevance.

Hon. D. O'N. Inniss traced the Head to the \$80 million redevelopment and criticised the cave's reopening for World Cup Cricket 2007; Hon. P. M. T. Todd spoke of the cost of the trams and Hon. R. D. Jones of the need to

meet the loan. Replying, Dr. the Hon. D. S. Lowe said a restaurant tender had drawn one response, visitor numbers had improved gradually and one chairman had resigned voluntarily. Head 73 was passed; the Resolution was reported, read a first and a second time and agreed to, and the House was suspended until 2.30 p.m.

On resumption Hon. E. G. Hutson moved the second reading of the Foundations Bill, 2012, which would let investors from civil law jurisdictions place assets in a separate legal entity while keeping control over them. He described pressure from the G20 and the Global Forum and the United States Foreign Account Tax Compliance Act. Mr. D. D. Marshall said the Opposition had no serious objection in principle but cited the Chief Executive Officer of Invest Barbados on the loss of about one billion U.S. dollars of investment and 2 500 jobs since 2008, questioned the tax treatment of foundations and their availability to Barbadians, and said the Opposition could not support the Bill in its entirety. Hon. D. O'N. Inniss listed the double taxation agreements concluded since 2008, and Hon. A. D. Brathwaite said a foundation was closer to a company than to a trust.

Hon. S. A. Lashley, Hon. D. St.E. Kellman, Mr. J. D. Paul and Mr. K. St.C. Best supported the Bill; Mr. J. D. Paul warned against a race to the bottom, contrasting zero per cent with two and a half per cent tax. Mr. R. C. Eastmond recalled Tom Adams' interest in the offshore sector and raised the ship registry. In reply Hon. E. G. Hutson said no tax rate was set in the Bill so as to give the Minister of Finance flexibility. In Committee clause 1 was amended so that the Act would be cited as the Foundations Act, 2013, and Hon. A. D. Brathwaite noted that clause 6(2) allows a foundation to be established in a language other than English. The Bill was read a third time and passed, and the House adjourned until Tuesday, January 8, 2013 at 10.00 a.m.