
THE

House of Assembly Debates

(UNOFFICIAL REPORT)

FIRST SESSION 2013 – 2018

HOUSE OF ASSEMBLY

Wednesday, March 20, 2013

The House of Assembly resumed on Wednesday, March 20, 2013, the Sitting of Tuesday, March 19, 2013 having been suspended.

PRESENT

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

His Honour M. A. CARRINGTON (Speaker)

Her Honour Mrs. M-J. M. THOMPSON (Deputy Speaker)

Mr. R. St.C. TOPPIN

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

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

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

Dr. the Hon. D. C. ESTWICK (Minister of Agriculture, Food, Fisheries, Water and Resource Management)

Mr. D. D. MARSHALL, Q.C.

Hon. M. A. LASHLEY (Minister of Transport and Works)

Hon. F. J. STUART (Prime Minister, Minister of National Security, the Public Service and Urban Development)

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

Hon. A. D. BRATHWAITE (Attorney-General and Minister of Home Affairs)

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

Hon. D. O'N. INNISS (Minister of Industry, International Business and Commerce and Small Business Development)

Hon. C. P. SINCKLER (Minister of Finance and Economic Affairs)

Mr. K. D. SYMMONDS

Dr. M. M. AGARD, J.P.

Rt. Hon. O. S. ARTHUR

Mr. SPEAKER: Good morning, Honourable Members. This, our third sitting of this session, resumes. Members, when the suspension was taken last evening, we were in Order Number One. And with that we shall continue. Yes, the Honourable Member for Christ Church West.

ORDER NO. 1 – APPROPRIATION BILL, 2013

Dr. M. M. AGARD: Thank you, Mr. Speaker. Good morning, Mr. Speaker. I rise to make my contribution to this debate on the Appropriation Bill and the accompanying estimates of revenue and expenditure for the fiscal year 2013–2014. Cognizant that it was by the grace of God and the will of the constituents of Christ Church West that I am able to do so, I would therefore like to give thanks to my God and to express my sincere appreciation and gratitude to my family, my friends, my support team and all constituents of Christ Church West for affording me the opportunity to represent their interests in this august chamber.

Of course, my appreciation would not be complete unless I thank my very supportive staff and client base of Astra Dental Care. I wish to assure all that I will faithfully discharge the responsibility with which they have entrusted me and I will look after their interests and the interest of the entire country at all times. In fact, I make these remarks very conscious of my predecessors, Sir Henry Ford and Dr. William Duguid, who both represented Christ Church West with distinction for more than 40 years. And as I pay tribute to their stewardship, I am equally consumed with the passion, the desire and the ability to steadfastly service my constituents, to agitate on their behalf, and to ensure that Christ Church West receives its share of economic development and the national pie.

Whilst I sit on the opposition side, I am conscious also that a nation of people have elected 30 representatives to form one government with the responsibility to serve the needs of our people and to forge for them and their children a future where we take our rightful place as the number one small island developed state. I am one of those 30 with similar responsibility as those who sit on the other side to bring constructive discourse, national engagement, decisive resolution and visionary leadership to the challenges that face us as a people.

Mr. Speaker, I am ready to make my contribution. Mr. Speaker, as a new member in this House, I expected that the Minister of Finance and Economic Affairs would have set out for us a plan of action showing clearly how his administration intended to stop the decline that has been taking place in the economy during the last five years and how it will put the country back on a path of growth so that issues such as the high cost of living, high unemployment and the steady loss of disposable income would be reversed over time. For certain, my constituents in Christ Church West are waiting eagerly for such critical action to be introduced and implemented because, though a proud and resilient people, too many of them have had to bear the brunt and the onslaught of an unrelenting austerity that has challenged many families.

You see, Mr. Speaker, Christ Church West is located in the southern tourist belt, and when families have had to endure the loss of jobs by closure of several hotels, a decline by nine per cent in the tourism industry, and the concomitant loss of associated jobs in this industry in the last year, the result is increased suffering. Many of my households are manned by women mothers who must care for their children, where theirs was the primary source of income and sometimes the only source of income, and for whom the unemployment rate from 6.7 per cent to 12 per cent is not a statistic but a painful reality. It brings with it increasing levels of poverty and the inability of them to meet their daily obligations. It is no wonder, therefore, that we have documented that one in every five Barbadians now live below the poverty line. Of course, an assessment for which we should all be very, very concerned. And I single out women not because of any gender prejudice, but simply because I am aware that whenever we have a challenge to our economic affairs, that the woman bears the brunt of that particular challenge. Indeed, the Barbados Statistical Department in 2012 registered that of 14 000 people unemployed, 8 200 were women. So clearly, Mr. Speaker, we must express our concern and endeavour to change that statistic.

And so I came to these chambers confident that, invigorated by a renewed mandate, the Minister of Finance would have articulated a plan to stimulate the economy, to inspire investor confidence, to create jobs, and to bring the relief so desperately needed to the mothers and the fathers

of Christ Church West and indeed Barbados in general. But it would seem that I was expecting, Mr. Speaker, a little too much from the Honourable Minister, because what I got instead was a reference to the medium-term fiscal strategy document, the Throne Speech, and the DLP manifesto - but without any real evidence to show the contents of these three documents are connected to the estimates which we are considering and which, in essence, constitutes the government plan for the coming year.

Of concern to me is the fact that the estimated excess of total expenditure over current revenue stands at \$1.3 billion. That is, the Honourable Minister and this administration intends to spend \$1.3 billion more than they are capable of earning. At best, this proposed increase in debt - or rather the acceptance that we as a government are incapable of doing more to generate revenue to service our needs - should be cause for concern of every living Barbadian. The DLP has already increased our national debt by \$4 billion in the last five years and this additional burden in just one year must be managed. I am further concerned that even as we carry such a huge debt, yet the increase in financing is not reflected in the productive sectors which, if stimulated, will generate revenue to service this particular debt. In short, Mr. Speaker, the government has to implement policies which will lead to an improvement in sectors that will generate revenue, such as agriculture, tourism, manufacturing and international business.

Mr. Speaker, I turn my attention to health. The good quality of our health service over the years has been in part the reason why Barbados has been able to gain such a high place on the Human Development Index which is published by the United Nations. But if we continue to manage our fiscal affairs such that every year we have to cut the provision of our social services, health included, we will soon lose our cherished position. In fact, we have already slipped from position number 31 to position number 38.

When I look at the estimates for health, I am appalled that the government continues to under-provide for the QEH and the other subheads. For instance, whilst the Minister sought to assure Barbadians that all is well in health, including provision for the elderly, the estimates tell a different story. Now, I agree with the Minister that Barbados is indeed an ageing population. I can attest to the fact that in Christ Church West, where there are 8 300 registered adults, 2 500 of them have reached the age of 65. That is over one quarter of a constituency that is of age 65 and over. So, yes, in Christ Church West and throughout Barbados we must be aware of our ageing society. However, we need to provide additional senior citizens facilities, additional home helpers and provision for institutionalised care under the expanded care of the elderly programme. And I would certainly, Mr. Speaker, like to see

a vote that reflects that we have placed our elderly at the forefront of our concern.

I want to make a special plea for a senior citizens home to be built in Christ Church West, for example, very similar to that built in Vaux Hall, because there are too many elderly people, elderly spouses who are servicing their spouses without assistance. If we could have one in every constituency, that would really be an indication that we respect our elderly as they age in their golden years. It should be an objective that we should work assiduously toward now.

In spite of having said that, I note with concern that the vote for the alternate care of the elderly programme, which provides for the cost of caring for elderly persons at private institutions, has also decreased by almost half a million dollars. The supplies to the Geriatric Hospital have been reduced by \$200 000, and even the vote for maintenance of the property has been cut by 50 per cent. Mr. Speaker, it must be a frightening thing to grow old in Barbados at this time.

But not only do we have the elderly under threat, we also have several challenges facing the QEH. It is my hope that the commitment to the construction of a new hospital becomes a priority of this administration. Though, of course, nothing in the estimates gives indication that work on this important entity will start within this financial year. In the meantime, healthcare professionals and support staff battle with outdated operational policies, procedures and manuals; unacceptable working conditions; gross inadequacy of financial resources for basic medical supplies - cotton rolls, gauze, sutures. They battle also with a compromised quality of care due to severe shortage of human resource and shortage of specialised nurses. Of concern to many professionals as well is that the existing services are underfunded and that the hospital is not in a position to sustain the current services to which the population has become accustomed. And while services have increased, the cost of services has increased and demand has increased, we see that the budget allocated to the QEH remains grossly inadequate, and that is unfortunate.

If my memory serves me correctly, the Director indicated some time ago that no less than \$200 million is required to service the QEH. They were given \$190 million last year and suffered as a result of it. And if \$190 million was unable to service the needs of the QEH, Mr. Speaker, it is nigh impossible that \$147 million will service the needs this year. That is our reality, Mr. Speaker. I am therefore asking the Honourable Minister of Health how does he intend to make up this blatant shortfall so that the services of healthcare to our people are not compromised.

I believe that if we are able to find funds to finance the National Environmental Enhancement Programme, where contributions were increased precipitously from \$7 million in 2012 to \$8.3 million in 2013, and set to increase again in 2014 to \$11.3 million, then certainly monies could have been found to service this national public good known as health. In short, Mr. Speaker, contrary to what was stated by the Minister of Health, we cannot service our healthcare with \$342 million.

But it is not just the QEH, Mr. Speaker. We must also pay attention, as the Minister said, to the emergence of our non-communicable diseases. And even though time does not permit me to elaborate on this particular issue, I note that in addition to diabetes, hypertension, cardiac disease and obesity that are the leading causes of mortality and morbidity in this country, that we must also pay attention to that emerging condition of mental health in Barbados. Mr. Speaker, there are too many families suffering as a result of dementia and Alzheimer's. And because we do not understand the aetiology of the condition and how it is presented, many who suffer from those conditions actually suffer in their homes and those who have to care for them also suffer as a result of not understanding the condition. And so, Mr. Speaker, a caring government such as ours must make mental health care and its resolution - or at least its management - our concern and our priority.

I would also like at this time to say a word about the reform to our drug service. I would like to say, Mr. Speaker, that whilst I personally, as a healthcare professional, had no objection to the removal of several drugs from the formulary - because I do believe that there was a redundancy of medication that needed to be removed - I would say to you that I was concerned about the insensitive way in which we went about removing some of the most critical drugs from that formulary and in doing so placing people in a position of using substitute medication whose interactions were not well known. Many lives were at risk. And I will give an example for the benefit of the former Minister of Health: in the combination of gout and hypertension, the new combinations were such that the gout medication reduced the efficacy of the antihypertensive medication such that whereas the patient thought that they were in full compliance, in fact the antihypertensive medication was rendered ineffective. People's pressures were soaring to the point of stroke and both patients and doctors had to manage that very frightening situation. That is an example of the very real medical condition facing Barbados as a result of the adjustment to our drug policy.

Mr. Speaker, I would simply say that I hold the Honourable Prime Minister to his word when he came before our nation and said quite caringly that within 18 months he would look at that drug reform initiative. Mr.

Prime Minister, it has now been 23 months and I would like to suggest that, in the absence of your comment, we should consider reviewing that position so as to allow the elderly, the infirm, the disabled, the most vulnerable - especially children with asthma - to receive their medication from the pharmacy of their choice. I believe that the \$3 million that we are trying to save is but small change for this singular national good.

Mr. Speaker, before I close, I wish to register, like any right-thinking Barbadian, that I am extremely uncomfortable with the government's excessive use of funds from the National Insurance Department.

It is beginning to appear to me that government regards the NIS fund as a solution to its every fiscal problem. If it owes the UE, they send it to the NIS. If they cannot meet their liabilities to the transport board or the BTA, they send it to the NIS. But Mr. Speaker, the truth is that in the long run, government will have to face the responsibilities of repaying these monies to this institution. And therefore any injudicious use of NIS funds at this time will eventually jeopardize pensions of innocent persons, particularly if the advice of caution is not accepted.

What is even more worrying is that consistent with the downturn of the economy and the increase in unemployment, contributions to the NIS are reduced whilst payment as benefits are increased. We must therefore be vigilant and ensure that government limits its borrowing. For whilst the fund currently remains strong, its long term sustainability is closely linked to real economic growth, real growth in wages and a policy decision that affects the national insurance, income and expenditure.

I therefore wish to register my caution to government that it cannot continue to court the services of the NIS as its personal reserve fund. To be used as government wishes and to do so would be a critical direction in duty to the men and women who have worked so hard to earn their wages, to make contributions to the fund to ensure their security for rainy day and who may now see their returns compromised.

I now close, Mr. Speaker, by simply saying that whilst we have been treated to the slogan that Barbados is more than an economy, it is a society. I simply wish to say that an economy and a society are linked intimately, like hand in glove, and that one must have a strong economy in order to service the social needs of the society. In fact, as the economy fails, the needs for society are increased because the poor become more vulnerable.

And I want to say that in these estimates, while we see the increase in expenditure by over one billion dollars, I fail to see the provision that has been made to ramp up contributions to the agencies which provide relief for the

poor. And hence I say that it is merely a slogan. But we must ensure as a government that our actions are in concert with our stated intentions that provisions may serve the better interest of all Barbadians and not a select few. And that by our actions we introduce and implement measures which will see Barbados once again raise its head, recover from our economic difficulties and once more be the proud and industrious nation for which we were once admired and even envied. Mr. Speaker, I am obliged to you.

Mr. SPEAKER: Yes, Honourable Member for St. Philip North.

Hon. M. A. LASHLEY: Mr. Speaker, sir, I rise to support the Appropriation Bill and of course the presentation that was outlined by the member for St. Michael North West on Monday. But before I go into the meat of my contribution I want to thank the good people of St. Philip North for reposing their confidence in me for a third time and I also intend to represent their interests and continue to represent their interests both in and outside of Parliament.

Mr. Speaker, the speaker who just finished obviously carried on from the opposition, carried on from their mould. It was again the same old Barbadian suffering things, bad belly to the back. The Minister of Finance need to do this, need to do that. And not one single solution she has offered in her speech today. Not one single solution. But she has followed in the mould of her predecessor, the Honourable Member. Thank you very much, Thomas, and I wish her all the best. Until next time. All the best. She can enjoy her stay.

And I have been tasked to continue the good work that the member for Christ Church South has done in his sojourn as Minister of Transport and Works. But of course the member for St. Michael North West outlined on Monday a stimulus package - what we call a road and infrastructure package - to the tune of \$80 million. And of course we have to treat, not because I am the representative of St. Philip North, but of course we have members on this side who are my constituents and they experience the roads network daily and nightly.

Yes, the Minister of Transport and Works - we have benefited from the programme. From this programme I can call a few areas that we have developed. But be that as it may, certainly the parishes of St. Lucy, St. George, St. John, St. Philip, of course St. Andrew and St. Joseph - we have to continue working on those, and that is why the Minister has mentioned that PPP package that we hope to get going very shortly, obviously to provide more stimulus to the economy.

Certainly, Mr. Speaker, I said in my outline that if you listen to the opposition you would believe that

Barbados is no longer in existence. And in fact, on February 21st, the jury returned their verdict in favour of the Democratic Labour Party and you all must realise that and start dreaming. You have five years. You have five more years in opposition.

Address the Chair, please. Mr. Speaker. Thank you. I am saying that the jury returned their verdict in favour of the Democratic Labour Party. They accepted the programme. They accepted the case put by the Democratic Labour Party and rejected the case put by the Barbados Labour Party. And still, speaker after speaker lamenting - the public has confidence, the electorate has confidence in the programmes as settled by the Democratic Labour Party. And we have a mandate to continue.

Mr. Speaker, sir, there are three comments that dropped from three members over there. The member for St. Michael East - that speech I heard in 1986 on a Democratic Labour Party platform - the same speech for the last ten years. Political still vomit. Mr. Speaker, the member for St. Michael East said, 'I know that boy should cut grass.' That is a background. And the member for St. Michael East had responsibility over Project Oasis at some time. Yes, that gave weed whackers and lawnmowers to the same boys on the block, the same young men, to lawn and to mow. But because the Democratic Labour Party established a unique programme that encouraged youngsters off the block to get some meaningful employment - and some are even studying and moving on to other things - he had the audacity to get up in here and say that that boy should be cutting grass. That is what he said.

But you know, I was in this House in 2003 and the same member for St. Michael East was in here belabouring over the Minister - the former member for St. James South - when he said that his constituents are suffering and that he had not received a house. And he is so upset about it he wants to lick up a mashup, and he gets up in here and talks about boys on the block. And then he got up and showed notices to quit. But what is the right of a landlord, whether it is the state or a private landlord, to issue a notice to quit? But I want to challenge the member for St. Michael East - how many notices to quit does he have in his possession that relate to Country Park tenants? I can tell you that 90 to 95 per cent of tenants in Country Park are up to date in their rents. I challenge him to bring them. To bring them.

But I will move on to the other speaker - the member for St. Andrew - who again got up and had the audacity to ask, 'When will Barack be paid?' Imagine that. Mr. Speaker, it is the member for St. Andrew that caused the whole fiasco - the bar fiasco. It is the member for St. Andrew. And the member for Christ Church West was correct when he said that the Act was amended - I believe it was section three of the Act that was amended. And the

member for St. James North will agree with me. The new member for St. James North, you will agree with me. Was there anything said against the member for St. Andrew? Because at the time the National Housing Corporation had no power to build an office complex and the Act came here and was amended. And look what happened - against the background, Mr. Speaker, as correctly said by the member, that the contractor was disqualified from all agencies connected to the granting of the contract. It is a fact. But he can get up in here and have the audacity to ask when this person will be paid. For 14 years, with all the milk and honey, they could have paid Barack. But this Government is a Government that believes in fairness, believes in justice, accepts all the principles of fairness and justice, and we will follow the rule of law and he will be paid. It is a fact. We cannot flout the rule of law. We cannot flout it.

But Mr. Speaker, I am concerned - deeply concerned - about the statements of the member for St. George South, the new member. He got up in his maiden speech and said that for five years St. George South was neglected. Imagine that. The former member for St. George South sitting on the back bench got up in here too. Yes, he saluted us. He got up in here and again begged and pleaded with his own party. He said not one single house was built in ten years. And the member for St. George North, his neighbour, was the Minister of Housing. And the new member for St. George South said that St. George South was neglected for five years. But the member for St. George South can mention a number of roads that were completed in St. George South. I can speak to the housing project at Groves that was completed - the first in 14 years - the day nursery, the community centre. And I cannot believe that a new member, without doing his research, could get up in here and say that St. George South was neglected. But again, he will enjoy himself until that time.

Mr. Speaker, sir, we have come through the challenges that international economies have suffered, and through hard work, dedication and commitment, and a love and care for the people of Barbados, they have steered the ship through those stormy waters, Mr. Speaker, and they have done it successfully. They have protected the vulnerable, they have protected the public servants. The Ministry of Social Care is still working and still providing welfare benefits. It is a fact, Mr. Speaker, that the former administration refused to spend all the money that was allotted to them in terms of welfare benefits. Imagine that - they can get up in here and challenge the member for St. Michael Central, but at the time, with all the milk and honey, people were up and down asking for welfare benefits, asking for house rent to be paid, and yet money was returned to the Ministry that was responsible for putting money out to those persons who wanted the benefits. Mr. Speaker.

Mr. Speaker, sir, I have dealt with the members on that side. The member for the City - I will not touch the member for St. Michael North because, as far as we are concerned, that speech could have been filed before and placed on the file and then call the next speaker altogether. Mr. Speaker.

But Mr. Speaker, sir, I have been assigned the responsibility for the Ministry and we have a number of programmes for the year 2013 to 2014 to start and also to continue. And I want to speak, Mr. Speaker, sir, on the legislative programme. As part of the programme in terms of legislation that touches and concerns the Ministry of Transport, Sport and Works, we will be looking at amending the existing - of course we have to implement the Street Works Act, and that is a crucial piece of legislation, Mr. Speaker, and I speak to that because utility companies that are engaged in works that impact on the road network - we have of course to bring them into line and to ensure that the Ministry of Transport and Works is fully compensated, be it in the form of the repairing of the road or in terms of monetary compensation in relation to damage done to the road works.

We also, Mr. Speaker, have the Building Standards Authority legislation, sir, that was mentioned years ago. It is something that the former Minister was working on, and I intend - because I had, of course, before I was Minister of Housing, been in the forefront in terms of pressing for a Building Standards Authority - of course to make sure that there is mandatory use of the building code, the registration of building practitioners, and of course other issues that will impact on the quality and delivery of buildings in Barbados.

Mr. Speaker, sir, we also intend to refurbish the Transport Board headquarters and terminals. Of course the member for St. Andrew yesterday mentioned the Employment Rights Bill, but he forgot to mention the Health and Safety at Work Act. And if we are operating in an environment where we have a legislative regime in terms of the Employment Rights Act and the Health and Safety at Work Act, we have to embark on an intensive programme to refurbish the buildings that house our public servants and to do general maintenance repairs at buildings at the transit wire quarters - Mangrove, Fairchild Street, Speightstown, and the Princess Alice Terminal. All of those terminals will be impacted on in terms of repairs and bringing better working conditions to those workers who occupy them.

Mr. Speaker, I am also pleased to announce that very shortly we will be constructing a modern bus terminal at Cheapside. And this terminal will consist, of course, of better conditions. And for the member for St. Lucy also, we will include in that proper facilities for vendors - for small business people who will have a part to play. We will

improve facilities for them and of course the travelling public will benefit from this new terminal. It was mentioned in the Budget speech. I can say to this Honourable Chamber that in a matter of months we will start the construction of a new Fairchild Street terminal.

Now, Mr. Speaker, sir, before I get there, I also want to speak to the River Bus terminal. I have done an official tour of the River Bus terminal and I have seen plans by the Ministry of Transport and Works. And of course I have to follow on those plans. Mr. Speaker, those plans would include what the member for the City said yesterday - he mentioned it in passing. It will form part of the urban renewal of Bridgetown. The member for the City laughed at it yesterday. But I also want to say to him that the former member for the City - that we had embarked on a programme which will tie in with the urban high-rise programme - that we have acquired land at Martins Street for the purpose of building, and that was to assist and to make sure that there are improved living conditions for persons living in the urban corridor.

Getting back to the new terminal - the River Bus terminal and the Fairchild Street terminal - we are looking to tie both into one large development. But at this present moment we want to bring some temporary relief to the travelling public and of course to the drivers and conductors, or the operators of those private vehicles who form part of the public transport system. Of course there is a need for improvement in the drainage at the River Bus terminal. There is a need to improve the existing shops that host vendors, that host the small business persons out there who sell daily. And we intend to do that. But before we do that, we will meet with the stakeholders. We have to meet with those owners, the drivers, and of course the travelling public to discuss issues and to make sure that we are all on one track. And Mr. [Inaudible.]

Speaker, sir, I am also pleased to announce that cabinet has also decided on that whole redevelopment project inclusive of river and inclusive of the terminal. And some of these - in fact, we had numerous interventions from the small business, the Ministry of Agriculture and Small Business Development. Of course, the Talent Department, the Ministry of Environment, all those ministries played a part in developing a plan to improve this area, improve the terminals, the two terminals.

So, Mr. Speaker, it would also involve the improvement, particularly at the bridge down terminal, some improvement in terms of the standards, in terms of vending. And we have to make sure that the vendors are included in these projects because of the importance, because of the push we are making for self-employment, the push we are making for individuals to go there and make their own living and they will have new facilities.

And Mr. Speaker, sir, part of that redevelopment will consist of covered areas and seating for commuters, a covered link between terminals, seating for shoppers, proper vending areas, terminal offices, a police post, an information desk, a ticket booth, marketing facilities, market facilities, Mr. Speaker. Twenty-eight small shops, facilities for barbers and hairdressers, space for 160 vendors, a restaurant. All of these things will be included in this project, Mr. Speaker. And we hope to have this project start very shortly.

So, Mr. Speaker, apart from these projects and apart from the road network, particularly in St. Thomas,

particularly in St. Thomas, I have a duty to ensure that not only St. Philip, not only St. John, not only St. George, not only St. Michael, not only Christ Church, but also St. Lucy. But of course the Member for St. Thomas is constantly plugging daily for improvement in the roads in St. Thomas, having been neglected by her own party, by the Barbados Democratic Labour Party, for some 14 years.

Mr. Speaker, sir, Mr. Speaker, I have no doubt that the members on that side of course will continue to support the proposals from this side. Yes, they will get up and they will do what they have to do - oppose, and say. But deep down inside they understand that the proposals that are being put on the table by this side are for the benefit of all Barbadians. Mr. Speaker, thank you.

Mr. D. D. MARSHALL: Mr. Speaker, at the outset I'd like to stay close to tradition and thank the people of the constituency of St. Joseph most sincerely for the confidence that they have once more reposed in me when they elected me to parliament. I well recollect certain determinations that were given or made by the Prime Minister and others on his side as to what they felt should be the fate of the result or the result in St. Joseph and St. Andrew. I am happy, sir, that despite their best efforts - despite their very best efforts, sir - the people of St. Joseph have rewarded the stewardship that I have given over the last few years by a majority that has increased tenfold. And I could only say that if the presence of the Prime Minister and others resulted in that, sir, that I would welcome them on the next occasion as I would be happy then to see an even larger increase. But it is truly an honour to have been selected by my constituents again to serve in this chamber. And of course I pledge to them and to all of Barbados that I shall devote my every attention to canvassing their interests and to try, of course, as best I can to secure their future in modern Barbados.

Mr. Speaker, the election, as we know, is well over and it does cause me some chagrin that the members of the government side feel that the occasion is still upon us for speech after speech that are exactly and entirely in the election mode. Unfortunately, sir, while they may still be in

the election mode the people of Barbados are out of it. And they have awakened in the post-election period to prospects, Mr. Speaker, that are dimmer than ever and to hardships that everything on the horizon suggests in at least the medium term will be increased.

Mr. Speaker, history, whenever it is written and by whomever it is written, will make it quite clear that the last five years of the Democratic Labour Party administration would rank among the hardest years that Barbadians of the modern era have had to endure. And I believe, sir, that they all had anticipated that a new term would bring hope, would bring inspiration. But that has not been the case. It would have been our sincerest wish that even though we lost the election, that we would have been entering a parliament that, whatever its makeup, would have offered Barbadians what we promised them - a brighter tomorrow. A brighter tomorrow, sir, does not belong to the Barbados Labour Party. It might have been our mantra going through the election. And I understand the fear that the Democratic Labour Party candidates have about mantras and mottos and even colours, because we know that they are intimidated by the colour red. But the promise of a brighter tomorrow, sir, is not ours. We have no trademark or copyright on that notion. A promise of a brighter tomorrow, sir, is something that every parliamentarian on any side - the member for St. Lucy has already spoken; I do not know, he wants to interrupt me - the promise of a brighter tomorrow, sir, is something that every member of parliament on either side should commit to, because that is why we are here. And when they cannot commit to it, then they have to recognise, sir, that they have come here under false pretences.

Mr. Speaker, we have had a throne speech. The occasion for its debate, of course, will come likely a little later in the term. But that throne speech does give an indication of what it is that the government intends to do over its five-year period. And we can see that it is over a five-year period that anything in the throne speech can be implemented - in year one, year two, year three, year four, year five. But one would have anticipated that on fundamental issues there would be some indication in the current estimates to show Barbados where it is that we are going. I regret, sir, that I must conclude that these estimates remind me of a plane that is in a holding pattern. It is unable to land, it cannot proceed to another destination, and it just makes circles in the air but no progress. And I feel that these estimates demonstrate clearly to the Barbadian public that the Democratic Labour Party is in the same holding pattern that they were in prior to the election. And that exact same holding pattern is going to be all that we can expect going forward. And we talk about bipartisanship and reaching across the aisle and a whole variety of very noble ideals. But the one thing, sir, that governs our stay in this chamber for however long or however short is that we must do all that we can to ensure the future of Barbadians.

Mr. Speaker, these estimates fall very far short of those ideals. Very far short, sir.

I believe that the Minister of Finance - well, the member for St. Lucy, Mr. Speaker - likes to engage in sophistry. What is an estimate? What is an estimate, sir? I believe that if an individual said he would give him an estimate of \$10 to fix his car and then after the car was fixed told him - gave him a bill of \$10 000 - he would say the man could hardly be heard to say, well, that was an estimate. So never mind the definition of an estimate, sir. The point is that this represents the budget that the people of Barbados through us are asked to approve and to live by over the next year. And because it is the budget that the people of Barbados through us are asked to approve, it requires, sir, not just an overview or any superficial examination - it requires an in-depth examination because it affects the lives of every single Barbadian, whether you are a voter or a non-voter. And that is key.

But Mr. Speaker, these estimates have a context. They have a context, sir. They have a context first of all of being prepared on the eve of a general election and in our view - and I do not think it could seriously be disputed - the circumstances at that time were such that I seriously doubt that any of the members of the front bench, any of them, whatever ministry they held, would have been able to give the kind of deep consideration that they would have been able to give in previous estimates, sir. Do not fool the people of Barbados as you like. We were all on the campaign trail. We were all busying ourselves with the next general election. And it is a fact, sir, it is a fact that only a few weeks before the general election the ceilings were handed out to the ministries by the Ministry of Finance. So do not try to fool anybody that what you all have presented here represents deep and mature consideration. They do not. And when we look at them, sir, they appear more to be a set of numbers that have been cobbled together simply because there is a statutory obligation to lay and approve the estimates by the 31st of March.

And if, Mr. Speaker, there was any doubt whatsoever - if there was any doubt whatsoever - I believe that you only have to look at some of the pronouncements of the members of the front bench. I do not bother with the members of the back bench; the pronouncements of the members of the front bench - ask yourselves whether those things that they have represented to the people of Barbados will come or can come, and whether they have any foundation here. One member on the back bench, sir, announced yesterday that we are here to take back Barbados. Now I have to say I find it to be a most bizarre declaration. Take it back from whom? They were the government for the last five years. For the last five years, sir. But the member on the back bench, sir, declared in a strident voice: we are here to take back Barbados. I have to

ask her who it is that they gave it to since they came to power in 2008. Because between the year 1994 and 2008 it rested solidly in the hands and hearts of Barbadians. Barbadians had Barbados and Barbadians thrived in Barbados and Barbadians lived and loved in Barbados and Barbadians were in a Barbados that saw itself as a country with a great dream, a country with a future, a country that was the most prosperous country in the Caribbean. That is where it was between 1994 and 2008. But the member, sir, wants to take it back. I believe he should take back that statement. I believe he should take back that statement. But sir, that is the context in which these estimates are given.

Mr. Speaker, when we look at several documents, sir, the first one could be the DLP Performance 2008–2012. And when we look, sir, at the throne speech and when we look at the estimates - three documents that will all have been authored within probably four weeks of each other - then we should see some logic in their content. But that, sir, is to go perhaps too far.

Mr. Speaker, in the document called the DLP Performance 2008 to 2012 - and perhaps that is why the member who talked about taking back Barbados was misled, sir - I do not know if this document has been made a document of the house. It has not been. But sir, I want to quote from it so I will make it a document to the house, sir. And I can go straight to the Attorney General and the Ministry of Home Affairs, sir. In this document which seeks to state what has been done or what was done by the Democratic Labour Party administration ministry by ministry during their last term in office, it says, for example, that they commenced the new Worthing police station, sir. They commenced the new Worthing police station, sir. Now I do not believe that the Attorney General has anything to do with this because he is bound by his code of ethics as a lawyer and I do not believe he would honestly say or even support a document that contains such a blatant untruth as this. But this is the document of the Democratic Labour Party, sir - that the Democratic Labour Party commenced a new Worthing police station, sir. I believe that the people at Worthing now must be choking in all the dust and the businesses must be shut down because of all the construction noise. I believe, sir, that the only reason we may not have seen it is because surely that entire streetscape is filled with hoarding. But sir, I happened to drive that way this morning just to be sure. And I did see the sign. The member for St. Lucy asked me if I did not see the sign, sir. I saw the sign but I apologise because I did not equate putting up a sign as being the start of a project. So that is why I say the election is over. Let us forget the political sleight of hand. That is not the commencement of the construction of a new Worthing police station. To ask the people of Barbados, sir, to accept that the erection of a sign at this site is the commencement of the construction of a police station, sir, is to ask us to accept that we are all wealthy and prosperous. It is plain absurd, sir.

But Mr. Speaker, I also thought I would read on, sir, and I was alarmed to see that between the year 2008 and 2013 the Ministry of Home Affairs created 200 posts for the prison service. Two hundred posts for the prison service? No, sir. I believe I still have a few friends who work in the prison service and I thought to ask them if they had seen any evidence of any increase in staffing by 200 people and they said no. And certainly the Minister of Finance, who was straining to find money to pay government employees every month, he would have had a lot to say about the creation of 200 posts in the prison service. And then, Mr. Speaker, when I checked the estimates of 2007 and 2008 and then when I also checked the estimates which we prepared but which were laid by this administration in 2008 to 2009, I see, sir, I see that at the opening of the new prison the Barbados Labour Party sought to put in place a whole new staffing regime so that our new prison facility would not only be new in its concrete and mortar but that it would also have the kind of personnel that would be required for a new prison. So we actually increased the prison service by a number in the order of 50 - posts that were approved by the Ministry of the Civil Service. But no, sir, we are being told what is not true, sir. What is not true. I agree with the Attorney General - that is not true. It is not true that they created 200 posts. That is what is not true, sir. That is what is not true.

But that, sir, is the context in which these things have been done. And when we look, sir, at the throne speech we see the section dealing with the Royal Barbados Police Force and nothing at all, sir - nothing at all that is here leads anybody in the force to think that any of the things that they want will get done. Absolutely nothing. A lot of fluff but nothing, sir. And when the Attorney General spoke, what he did say was that we were going to establish a law reform commission and we agree. In fact, in our manifesto we said we were going to establish a commercial law commission. So we are of similar mind on that score. But in terms of his major pronouncements, money was going to be provided for the Police Boys and Girls Club. I do not see it in the estimates. I do not see it anywhere here. So I would ask the minister if the money for the estimates is just like the word that work has started on the police station, or if it is like any of the 200 posts that were created for the prison service, sir. I have to ask the honourable Attorney General whether this declaration by him is a fiction.

Mr. Speaker, the people of Barbados are not minded in these difficult times to be trifled with. I know that my constituents, sir, are not minded to be trifled with and my constituents feel especially hard done by the Democratic Labour Party. In fact, I would urge the government to take the people of rural Barbados seriously. The member for St. Lucy, who is a recent addition to cabinet - I have no doubt that he is telling the members on his side that they need to

take the people from St. Lucy seriously - because he escaped by the skin of his teeth. He did.

And we now have a brilliant young man here representing St. George South because the Democratic Labour Party did not take rural Barbados seriously and the members of St. Andrew and St. Thomas and St. Peter and St. Joseph increase their margins because the Democratic Labour Party does not take the people of rural Barbados seriously, sir. So the people of my constituency and members of St. Thomas are not minded to be trifled by this government, sir. And perhaps it would be useful to ask - because I don't know if we're going to get to this in the head, sir - when we look at the provision that has been made for the Scotland district, and I have no apology to make about talking about this, it is regrettable that I have to use the same speech again because the members on that side have heard it repeatedly but have chosen to do absolutely nothing about it.

So the fact that the member for St. James South could say, "Oh Lord, that speech again" - it means two things, sir. It means that he heard it. It means that he heard it before. It means that it is stuck in his head. But it also means that as far as he is concerned the people of the Scotland district are not entitled to anything. And that is no doubt a sentiment that is expressed all across the front bench and their backbench, sir. But I am entitled to speak about it because people in the Scotland district elected me to Parliament and the member for St. James South may not like it, but in the words of their former Prime Minister on their side, he can either like it or he can like it. But I am speaking about it, sir.

Mr. Speaker, in the Scotland district the Ministry of Public Works has made the grand provision of a million dollars to deal with the Joseph Bridge and to deal with the Thompson Bridge in St. Andrew, sir. A million dollars. Now, sir, we know what has happened to Joseph Bridge in the past. I must say that there are numerous other bridges, numerous other bridges all across the Scotland district that are under severe threat. There is the bridge at Baxters. The steel girders of that bridge have been displaced. All over the Scotland district, sir, I don't know if the Minister of Public Works will hear me because my experience with the Minister of Public Works and my constituency has been a better one. He has been a better one, sir.

Well, he was Minister of Housing at the time and I took him to St. Joseph to look at houses that were slipping in Suriname. I sent him many, many letters. Many letters, sir. He didn't respond to one. One of the houses that he looked at - the minister, remember the current Minister of Public Works, sir, the then Minister of Housing - we crawled all up under the manholes, I assured him where he could relocate the free houses there, sir, while the houses went down in the gully. The second house next to it, sir,

that is also on the verge of going down the gully, and between 2008 and 2013 the member for St. Philip North was aware of the plight of these individuals and did not lift a finger. Did not lift a finger, sir. So I have to assume that either he has had a change of heart when it comes to rural Barbados or the Honourable Member, sir, will continue with the same thing. But it is my duty to speak of it, sir.

And I want to tell the Minister of Public Works - well, if the Minister of Public Works could have fixed it as Minister of Housing, it is another fiction that he can do it now that he is Minister of Public Works. I wish to conclude. But the fact is, sir, that the provision that has been made for the Scotland district is nothing short of derisory. Nothing short of derisory, sir. The provision that has been made for the Scotland district - and the only thing that we have been given in public works is for the maintenance of George River Bridge, sir. The road infrastructure - forget the bridge for the moment - the road infrastructure in my constituency has taken a turn for the worse over the last three years. Horace Hill, Bonds Road, Chamber, Lower Parks - all of these areas, sir, all these areas. And what has happened, sir, what has happened is a total zero. A total nothing, sir.

But you must also look at the provision that has been made in the Ministry of Agriculture for the Scotland district as well. When you look, sir - and it is important - yes, it is one seventh of Barbados's landmass. What provision has been made for supplies and materials? Supplies and materials, sir. Supplies and materials for the year 2013 to 2014 is \$72 000. Seventy-two thousand, nine hundred and seventy-four dollars. Now, sir, the Soil Conservation Commission is responsible for gabion work, all those kinds of things, and I happen to know, sir, that \$72 000 in wire and in rocks will not go anywhere - will not go anywhere - towards resolving the slippage issues in St. Joseph in one tiny area. But that is the provision that has been made, sir. That is the provision that has been made. And the Ministry of Public Works, sir, provision again is derisory.

So, Mr. Speaker, we have estimates that have brought nothing better for the people of my constituency or for the people of Barbados than the estimates in the preceding year or the year preceding that, sir. When I say that we are in a holding pattern, the estimates demonstrate that we are in a holding pattern. The people of Barbados, Mr. Speaker, deserve better and we accept that. There are economic strictures that face us. We do. But what is the excuse - and remember the member for St. James South? I can hear his voice. I know you cannot hear him, Mr. Speaker, but I can hear his voice. I would like him to tell the people of this country how he explains that the budget for Invest Barbados has been reduced steadily over the last four years.

Invest Barbados is the agency that is responsible for selling Barbados's goods, services and international financial services sector across the world. There was a Harvard study, sir, done in 1994. They said, sir, that when in a recession the companies that invest more money in marketing are the companies that survive the recession - the companies that increase their marketing budget. But what we have is tourism has decreased its marketing budget, Invest Barbados has decreased its marketing budget, and all across Barbados those agencies that have the responsibility to generate revenue for the people of Barbados and for the enterprises of Barbados, sir, are being hobbled. Are being hobbled. Sir, I am applied to you for your -

Mr. SPEAKER: Thank you. You want to be the official heckler. Member for St. Philip West.

Dr. the Hon. D. C. ESTWICK: Mr. Speaker, let me take this opportunity as I begin this presentation of these estimates for 2013-2014 to thank the people of St. Philip West for their continuing support not only for myself but for the Democratic Labour Party and this government. Let me say, sir, that there seemed to be some confusion as to really what an estimates of expenditure and revenue is and there seemed to be further confusion in relation to the relationship between the estimates and the budget. Let me at the outset suggest, sir, that I do concur with the former Prime Minister, the Member for St. Peter, that the estimates really is the government's budget. But it is an estimation of the budget that you intend to use in a financial year and because of that estimation, sir, it therefore allows you to make adjustments to it as you go forward - either by cutting programmes, either by expanding programmes and by extension making adjustments to the expenditure by supplementaries and other methodologies.

And some of these methodologies may be, sir, to bring in new programmes that are driven by private-public partnership utilising national savings or the savings of the private sector in the banking system or on the various bank accounts of the private sector. So I do not understand the whole big confusion that is being raised now in relation to whether something is in the estimates per se or not or whether it is going to be rolled or not. That is a serious argument, sir, and many of the members who have been in this Honourable Chamber for a long time know that that is the case. So I am not really going to spend much more time on that.

What I intend to do, sir, is to speak to some elements regarding the Barbados economy and, pre-crisis, the relationship of the estimates to the circumstances of the Barbados economy. And then I will also speak to what are the plans of the Democratic Labour Party going forward that will attempt to change what it is we find negative within the macro framework of the Barbados economy and

its normal structure in relation to the productive sectors as well as the social services. Because I believe very strongly, sir, that part of the fundamental problem with the economy that has been driven over many, many years essentially has been the architecture of the economy. And that is an architecture that has its history essentially, sir, from the fifties and sixties, when governments recognised that in the colonial period, due to the use of politics essentially to support international mother countries and not to support the development indigenously of the people by institutional development, there were certain inherent economic structures and political structures that existed then that still exist today, that we need to radically alter so that the type of economic transformation that we need to carry the country forward would occur.

And let me therefore start by saying, sir, that economies that are resilient to external shock and recessions are usually economies that are well balanced, Mr. Speaker, in terms of revenue that is expended on social services and revenue that is generated for the productive sectors within the economy. Similarly, sir, these economies tend not to have an over-reliance on the social services sectors within the broad application. And they tend also, sir, not to have an overreliance on the industrial sectors of the economy. Additionally, sir, these economies tend to have very strong exports of goods and services, infrastructure, and as well as that, they tend to have a reasonably good degree of foreign investments overseas, all to drive foreign exchange earning within that particular economy.

In addition, sir, these economies tend not to have an overreliance on import trade and not an overreliance on foreign direct investment, but the trade that is developed domestically as well as investments that are driven domestically to earn foreign exchange. They tend to have that type of character. In addition, sir, these economies that are very resilient do not tend to have an overreliance on imports of consumer durables and non-durables and intermediate goods and capital goods. In addition, those types of economies tend to be very competitive in that they have very good trade facilitation capabilities and trade logistics capabilities. Now those are the general features of economies that tend to be resistant to recessions and resistant to external shocks.

Now, prior to 2008, sir, Barbados did not have any of those fundamental characteristics within the structure of the economy. In fact, prior to the 2008 financial economic crisis, Barbados had a number of vulnerabilities to external and internal shocks and these were defined essentially by structural weaknesses. What are these structural weaknesses? I refer, Mr. Speaker, to a significant imbalance between employment in the public and private sectors. In the Barbados context there is significant public sector employment in the context of the overall workforce

and a relatively small private sector. That is a vulnerability. In addition, sir, when one evaluates the estimates document itself, there is a major, major component of the overall expenditure on an annual basis that is being spent on social services.

Mr. Speaker, we also have an economy, sir, with an over-dependence on tourism and foreign exchange. We also have an economy, sir, with an overreliance on international business for corporate taxation. We also have an economy, sir, with an overreliance on transaction taxes - excise tax as well as duties - to drive the revenue structure of the economy. That is a significant and very significant vulnerability. And we have an economy in Barbados that has an import-led type trade policy and as a result a heavy importation of consumer goods, imports of food and fuel oil. The evidence of that, sir, is found where we import six times more than we export, therefore creating an external current account problem that is always a consistent feature of the macroeconomy of the country.

So in other words, we have an economy that then depends heavily, as a result of what I have said, on capital account inflows - that is loans, remittances and investment inflows - to earn foreign exchange, as well as inflows from the financial accounts which essentially represents inflows that will come from your exports of goods and services. And that, sir, is on the smaller side in relation to the balance of payments. We also, sir, have an economy now that is not competitive, sir, in the context of the regional and international economy. And we also have an economy that is underpinned by some elements of poor public sector competitiveness - that is within the elements of the Town and Country Planning Department, the Solicitor General's office as well as the regulatory framework of the EPD and the water body. That is our structure, sir. That was the structure, sir, that predated the recession.

Now in terms of the macroeconomy that predated the recession, this is what we had, sir: a high fiscal deficit on the fiscal balance, a high public sector debt-to-GDP ratio, sir, a high domestic portion of the national debt. We also had, sir, a high external gap and high inflation. But I would want Barbadians not to jump to blame the Democratic Labour Party for any of this matter because I like to always use the experts - Moody's, Standard & Poor's, the IMF. I think they have well-researched departments. I would want to quote, sir, from my notes, sir, from the Moody's Investor Service report of October 14, 2009. They said that Barbados' key debt metrics have been on a deteriorated path over the past decade - that is between 1999 and 2009. And we know who was in office during that period of time, sir.

They went on to say, sir, that such deterioration was observed prior to the onset of the global crisis and was due to structural elements in the economy - the same structural

elements, sir, that I am referring to. And they went on further to say that these structural elements were a heavy dependence of the Barbados economy on tourism and the international business sector and also the lack of effort by the former administration in restructuring the economy to develop other economic sectors so as to earn foreign exchange. Those are some of those vulnerabilities and weaknesses, but I want to continue this a little bit further so that Barbadians understand.

The analyst, who is Alexandra Alessi, said one of the elements is a persistent increase in government expenditure including recurrent budget expenditure, sir. That is what Moody's said as an indication, sir, as part of the problems that we are having. But I do not want to finish there. I want to say one other thing on this matter. She went on to say that since Moody's last rating in 2000, Barbados' public debt stock had more than doubled relative to revenue, which had not increased significantly. In other words, what she is saying is that the government administration was building up a massive debt stock and fiscal deficit problem without generating the appropriate revenue in order to do that. What that underpins is the reason why we are talking about reforming the economy - because the economy just could not generate the revenue. It just could not generate the foreign exchange within the structure that we now have.

Mr. Speaker, part of the problem therefore prior to the crisis was that we had a structure of the economy where there were numerous social services entitlements which could not be adequately carried by the number and size of the productive sectors of the economy - an economy that could not then generate the level of foreign exchange required to cover the country's imports and foreign debt from the exports of goods and services. That means that we are then dependent precariously, sir, on remittances and on loans, sir, and from time to time on foreign direct investment. That means that if everyone were to analyse the GDP structure of the economy and look at the consumption pattern, it tells you that the consumption patterns therefore, sir, were on the consumer side - a very high consumption pattern, sir, on consumer durables and food and fuel, which is all on the import side of the equation. It puts tremendous pressure solely on the tourism sector to generate the level of foreign reserves required. And as a result of that you have to resort to loans, remittances and other precarious dynamics. What is important there, sir, is that it locks us into the international economy and it locks us into the continuation of vulnerability in the international economy when you have recessions and other types of shocks and so on.

Mr. Speaker, I think it is important for me to get that over so that Barbadians understand exactly what I speak to. Now, this present structure of the expenditure, sir, of the estimates has historical significance. It is a carryover from a time in history which was evidenced by economic

exploitation and social deprivation. It is the period, sir, between 1960 and 1980 when Barbados went through a demographic transition driven by the need to radically transform its social infrastructure. This was the period of time, sir, where we saw universal adult suffrage. We saw trade unions emerge, we saw free education develop. We saw school meals, we saw skills training centres. We saw the QEH, we saw Samuel Jackman Prescod. We saw university, we saw NIS programmes. We saw welfare provisions. We saw maternity leave, the Factories Act, the Severance Payments Act, polyclinics - and the list goes on. But all these social entitlements were carried on the back of only three sectors - those were the agricultural sector, industry and services. In fact, the structure has been maintained up to 2011 even though more and more services have been added to the national expenditure.

Now let me explain what I am saying. Let everyone look at the major contributors to GDP between 1980 and 2011. Here is what we find. In 1980, agriculture contributed nine percent of GDP; industry, 12 percent; services, 42 percent. By 1985 it changed slightly - agriculture, 10 percent; industry, 15 percent; services, 56 percent. In 1996 - agriculture, 10 percent; industry, 15 percent; services, 75 percent. In 2008, sir - agriculture, six percent; industry, six percent; services, 78 percent. And in 2011 - agriculture, six percent; industry, 13 percent; and services, 82 percent. In other words, sir, the critical point here is to appreciate that the country experienced population growth and population demographic changes from underdeveloped status to developed status, yet we rely on the same basic sectors to support the growth of the various services sector. And this again, sir, is confirmed within our present estimate structure.

Mr. Speaker, again, let me explain this to you. When we look at our present estimates for 2013-2014, we have Heads 21, 23, 40, 73, 77 and 75 - they are all social. The expenditure on these heads is \$1.5 billion. Heads 27, 72 and 79 are productive in nature and we spend a combined \$266 million. So therefore, to accomplish the expected expenditure the economy has to carry a large fiscal deficit to GDP and we will have to continue to build that stock in order to maintain that type of growth.

To strengthen my argument, let us analyse the tourism sector. Presently the tourism sector is the major earner of foreign exchange. It contributes 15 percent of GDP and employs about 14 400 persons. But that was the same contribution from back in 1990. In fact, if you were to do a time series with respect to tourism and take it back from 1970, sir, from 1970 tourism contributed 8.3 percent of GDP.

Seventy-five, nine point three percent, nineteen eighty, eleven percent, nineteen ninety fourteen, fourteen point four percent, ninety-five fifteen, two thousand and

fifteen, two thousand and eight fifteen level fourteen point five. What we see therefore is a mature sector that is largely stable. Why this becomes important, Mr. Speaker, is that it tells us what it is this administrator has to do. And that is exactly why in part of our programmes going forward we are looking at creating new enterprises, Mr. Chairman, that is the reason why we are looking at new enterprises in terms of the new head marina projects, why we are looking, Mr. Chairman, Mr. Speaker, at the development of a new cruise pier and so on, so that you can create new hotels, new condominiums, build out new restaurants, new shops and create new employment and so on. So you're creating new enterprises. So to expand the economic base of the country, create new employment, sir, and by expansion you would get PAYE, you would also get VAT, et cetera, et cetera. Mr. Speaker, that is critical and very, very important.

Now let's take the analysis a little bit further, Mr. Speaker, and let's look at wholesale and retail and its contribution to GDP. Nineteen seventy, sir, it was 20 percent, twenty ten, 19 percent, sir, throughout the entire period. Nineteen seventy, no change. Again, we see a mature sector that is a major contributor to revenue. So that helps you understand the structure of the economy and the changes that we have to implement as a government. That is why we were at pains at saying that you have to restructure the Barbados economy. You can't carry it forward by simply putting money in people's pockets. That is going to go on consumption of consumer goods and other variables like that - that short-term fix cannot solve the problem. It's a medium to long-term problem and it's structural in nature. That is the point. That's why I had to go back to history to bring it forward, Mr. Speaker.

Now, Mr. Speaker, what is important here? I can go back, sir. I have the time series for agriculture. I have the time series, sir, also for investments. The correlation of what I say, sir, is carried also on this front. When you look at commercial investments in the various sectors of the economy within the investments that come from the banking sector - that we always say is an important part of how the economy develops - if government doesn't have the funding within its taxation structure then investments come simply to borrow from the bank to invest, or you either generate it on your own revenue basis and put it in your bank account.

But when you look at commercial banking investment in Barbados, for example, in the agriculture sector - let me explain something. Over a 20-year period, this is what we have, sir. Nineteen eighty-four to twenty ten. This is commercial banking investment in Barbados in agriculture. Nineteen eighty-four: \$37 million. Twenty ten: \$49 million. It has not moved. That is the reason why we have to restructure the agriculture sector, so that it becomes more important in terms of food production and it helps us

to reduce the food import bill and it helps us to link with energy and produce energy to the grid and reduce the imports of oil, et cetera, et cetera. Mr. Speaker, we have to do it through public sector investment, sir, and joint ventures.

Let us look therefore at the manufacturing sector. Between nineteen eighty-four investment was \$123 million; by two thousand and ten, sir, investment was \$130 million. It has not moved. And I am not blaming one government or the other. I am saying these are the facts that we have to deal with. We have to deal with these matters.

Mr. Chairman, if I look further at this point, let us look and compare investments within the distributive sector, tourism sector, and the construction sector as compared to what I just described for manufacturing, agriculture, and wholesale. This is what happened for tourism, the distributive sector, and construction. Nineteen eighty-four, investment by the banking sector: \$507 million. Tourism: \$103 million. Construction: \$35 million. But what happened by two thousand and ten? The distributive sector had \$350 million invested in it. Tourism had \$480 million invested. Construction, \$450 million invested. So in other words, what we were doing, sir, was building an economy that was built out on the non-tradable sectors that were foreign exchange consuming in nature. And this is the reason why restructuring becomes so important, because it is what is going to determine Barbados' vulnerability to external shocks. And that is how we are going to generate the level of foreign exchange that we need, sir, via the various projects that I will speak to very soon.

What is important here, sir, is this. We seem to be oblivious, sir, to the opportunities to revive the agriculture sector through linkages of tourism, energy, manufacturing, and health. That is my challenge and I will speak to it when the heads come. So we, sir, do not have to be in any way lectured by anybody on the other side.

Part of the other vulnerability to the economy, sir, is linked to the over-reliance on importation of food and energy. Let me explain this. We have a high vulnerability to imported inflation. This created a problem for us because the majority of what we eat we don't produce. We don't produce rice, we don't produce corn, we don't produce soya, we don't produce the oil. So the fact of the matter therefore, sir - and there are some climate change elements and geopolitical elements that are important - in two thousand and seven global soya bean prices were \$6.60; by two thousand and ten, \$9.90; by twenty twelve, \$13.90. Global corn prices were \$2.02 in two thousand and seven, but by twenty twelve, \$6.67. When it comes to rice, sir, we were paying \$157.58 in two thousand and seven; we are now paying \$313.25 per bushel. Look at the global oil price increase. The average between nineteen ninety-five and

two thousand and seven under the former administration was \$34 a barrel. This administration had to battle between two thousand and eight - \$100 a barrel to \$124 a barrel. That is where you had therefore your element of inflationary problems, Mr. Speaker.

So what do we do? We have to restructure. Therefore, Mr. Speaker, the vulnerability of the economy demands the following: alternative energy, agribusiness, agri-energy linkages, new investment in tourism, and new investment in international business. That is what we need to do to carry this economy forward.

So in other words, by doing that, Mr. Speaker, we will therefore create new enterprises. We will generate new jobs through these enterprises, expand the tax base. These actions would also enhance government revenue again - as I said - through PAYE as well as VAT and various taxes. And we have to execute import substitution to decrease our imported inflation due to food and fuel. This is important in the Barbados context. We also have to expand our agricultural sector and reduce the importation of food that we can grow locally. Mr. Speaker, we have to therefore, as I said, expand the alternative energy sector. We have to produce animal feed, sir, that is produced locally from domestic inputs so as to stop that element of inflation.

But sir, when we were doing all this we developed a medium-term development strategy, sir, in order to carry this country forward. The medium-term development strategy, sir, allowed for this economic diversification through new enterprise creation. How does the Democratic Labour Party propose to do this? The Honourable Minister for the Environment spoke at Nordhall, sir. At Nordhall, sir, we have the mangrove farm Renewable Energy Centre - a classic example, sir, of developing a complex utilising solar energy, wind energy, utilising landfill gas energy as well as a waste-to-energy complex. That, sir, will produce about 25 to 31 megawatts of electricity, capable, sir, of powering close to 40 000 to 50 000 homes. In addition, sir, there will be a significant number of jobs - over one thousand jobs created. That is how you create new enterprise, Mr. Speaker. That is how you carry it forward, sir.

I have with me, sir, in my possession a document, sir, with the final piece of the natural gas pipeline project, sir, that was stalled under the previous administration from two thousand and four. This, sir, is from the natural gas company indicating a gas supply agreement. Mr. Speaker, a gas supply agreement. The importance of that project, sir, is that once the natural gas comes to this country we are in a position to reduce the cost of electricity from 90 cents per kilowatt hour down to 40 cents per kilowatt hour. Again, Mr. Speaker, creating jobs and creating new opportunities for Barbados. That is how you economically diversify the economy.

You do the same thing, sir, by developing the Barbados industry restructuring project. We are advancing that as well. And that project, Mr. Speaker, will produce electricity for the grid and will also generate 25 megawatts of electricity and power 55 000 homes in Barbados from sugar cane. Mr. Speaker, that is how you create new enterprise. In addition to that, sir, for the first time you have the opportunity to stop importing molasses from Guyana and other sources. Right now we import 85 percent of that, sir, and new factories will produce all of it domestically. Mr. Speaker, that is how you create new enterprises. That's how you diversify an economy. You don't do it by putting money in people's pockets to spend on consumer durables and refrigerators. That's how you do it.

You also go about it, sir, by creating a new tractor cultivation scheme for Barbados. Right now there are six tractors of the BADMC - six - ploughing people's fields all over Barbados. And the importance of that, sir, is to make sure that poor farmers can produce more food and they don't have a problem getting the land tilled. That's how you create new enterprise, Mr. Speaker. That's what it is. You don't do it by a short-term stimulus programme, sir. That's not the way it is.

And I must say, sir, that we are quite advanced, sir, in negotiations with the Canadian Commercial Corporation in relation to the west coast development project. We will bring that project online again, creating new opportunities, new jobs, et cetera, et cetera.

So Mr. Speaker, I know that I cannot get to all the critical things I want to address in terms of the projects, but I think the point is already taken by most Barbadians. You are in a crisis, and with the framework of the economy that I would have already explained to the country, to move it forward you don't move it forward unless you change the character of the economy in such a way that your GDP is produced in a different way from what led to the problem in the first place. So the heavy dependence on tourism and international business has to be mitigated, sir, by other sectors that help us to earn foreign exchange and save foreign exchange.

In addition to that, sir, we are not saying you don't invest in those sectors - we want to expand the tourism sector. So all you do is you create efficiencies, you expand the port, make it more efficient, more competitive. You do the same thing, sir, in terms of areas of yachts and high-powered boats, et cetera, et cetera.

In closing, sir, our stimulus is about infrastructure, it is about new enterprise. It is not about expenditure on consumer goods. That is the fundamental difference between the two stimulus packages. As a result of that, I

stand in full support of the proposals of the Minister of Finance. I thank you.

Mr. SPEAKER: Yes, Honourable Member for St. Michael North.

Mr. R. St.C. TOPPIN: Mr. Sweet, I never see why the RM was insisting that he should be minister of finance. But Allah, sir, he could not prevail against the eager. I begin by saying that I always find it useful at the start of an estimate to be asserting my contribution, to recognise really that what you're supposed to see in estimates really are government's policies and programmes for the next financial year. So when we try to do that in relation to these estimates, obviously it's really very confusing exercise because all we see is a set of misplaced priorities, omissions, some fantasy, certain, some ill-conceived policy.

So we can look at the very outset at the \$600 million stimulus that the government referred to on Monday to be executed. It is amazing that the party called for and talked about a stimulus package which we were severely criticised for, but the government cannot find itself willing to engage in a package there for \$600 million. It's also amazing, sir, that part of the methodology, sir, of that stimulus package includes public-private partnerships against which the Barbados Labour Party was lambasted for engaging in when the Democratic Labour Party took office.

So what is most disturbing is that the government really doesn't realise that a stimulus package that is based almost exclusively on capital works will not put this economy on a sustainable growth path, it will not generate the desired number of permanent jobs and it will cause a significant drain on our foreign exchange, on our foreign exchange reserves. That is the major difference between our stimulus and theirs.

So because while our stimulus package had some capital works component, sir, but we also recognised that, simply put, it is necessary - and the Democratic Labour Party government may not want to recognise it - but it's necessary to put some money in people's pockets and not by going to drug lords for it, as the Prime Minister suggested. We have to put money, sir, in people's pockets by easing the tax squeeze on them. Easing the tax squeeze on them, sir, and allowing spending to take place in the economy.

Hon. F. J. STUART: I hear the honourable member say, St. Michael North, but on a point of order - the honourable member is misleading the House. It is not true to say that this Prime Minister has ever said that you put money in people's pockets by going to drug lords. Not true. It is a horrible and horrendous intentional lie and should be withdrawn. The honourable member, Mr. [Inaudible.]

Mr. R. St.C. TOPPIN: Mr. Speaker, during the last campaign, sir. The Prime Minister was carried nationally as having said that the barrier to the party is talking about putting money in people's pockets. But if they want to do that, they can go to Drug North and get it. That is what the Prime Minister said. That is not something which you can rule on because they do not know the veracity of it. In addition to putting money in people's pockets by easing the tax squeeze on them, sir, so that money can take place in the economy by the private sector and enable the economy to grow on a sustained basis, sir, and generate increasing numbers of jobs on a permanent basis, sir, and on a sustainable basis. But this government refuses to lower taxes on people even though the more it increases taxes on people, sir, the less money it is actually taking in from people, sir, from revenue from these same taxes. Fundamental misunderstanding of how a certain economy is supposed to be allowed to develop in terms of priorities.

There in these estimates, at a time when poverty in this country is rampant and getting harder and harder on people every day, we see a cut in the vote to the welfare department at a time when people need medical care. The vote to the drug service has been cut and the vote to a number of polyclinics have been cut. Many know that pensioners and all those can expect no more relief in relation to having to go and stand in long lines in polyclinics and hoping against hope that when they get to the pharmacy they are going to hear that they have the medication that they need. There is no light at the end of the tunnel for them in terms of being able to revert to the status quo ante when they were able to go and get their medications at the pharmacy of their choice, free, of course. So there is nothing in these estimates here for them.

At a time when crime is now escalating to crisis proportions in this country, where people are being robbed in broad daylight - whether you are Barbadian or tourist, you can be taken anywhere at any time, day or night, sir - at that time, sir, there is a cosmetic increase in relation to the police force, police services, general police services. At a time, sir, when this country still has to rely on tourism to pull out of the crisis that it is in, the government has failed to properly fund the operations of the Barbados Tourism Authority, the sole marketing agency of this country. So there are also glaring omissions in these estimates.

It is very noticeable that the Minister of Tourism of late has been extremely silent generally on tourism matters. It is also very noticeable that the Minister of Tourism and the Minister of Finance together have been very silent in particular on the Four Seasons project. Both of them have gone very silent on the Four Seasons project. There has been a definite silence on the Four Seasons project. I want to know whether government has been keeping the public in the dark about this project.

Mr. Speaker will recall that in 2011 government came here for parliament to agree to government guaranteeing some \$60 million US dollars in relation to certain creditors and bondholders in relation to the project. Remember then, Mr. Speaker, your opposition was against it. We said it was a private sector project from the beginning and that it should continue as a private sector project. We said that. We said then, sir, that government was in effect guaranteeing private village - this taxpayer's money. And you recall, Mr. Speaker, that the Minister of Finance said then that this guarantee was all that was standing in the way of the project being resumed to completion. The Minister of Finance, in one of his several pronouncements as to restarting the project, said that was all that was needed because Aman Resorts had already agreed to the other \$100 million dollars - the other \$100 million dollars that was necessary - given the other technicalities and mechanisms that would be used, that the project would have been able to restart to completion once that guarantee was in place.

So we were fought four-nil against the government when they were saying that they were going to put National Insurance funds into the project, although the investment committee of the National Insurance scheme had said it was not a feasible project. We fought against that too. Four-nil, Mr. Speaker.

Mr. Speaker, do you know that in the dead of night this \$60 million dollar government guarantee has been called by the bondholders, sir - by the bondholders in relation to that project - and that \$120 million dollars, \$120 million dollars, sir, has been paid over by this government to two bondholders in relation to that project, sir, without a single word being said to the people of this country. Not a single word. Just after Moody's downgrade last year, one bondholder called his \$24 million dollars one time - \$24 million US dollars - he said he was not keeping junk. And then in January of this year the second bondholder, not wanting any more, called in his \$36 million dollars, sir. And all this without a single word being said by this government to the people of this country, sir. Not a single word, sir. This is absurd.

There is no point in calling for heads to roll because over there he runs things. And if you, Prime Minister, do not watch out, his head will roll too. So there is no point in calling for heads to roll. If I were outside, sir, I would refer to this as dishonesty of the highest magnitude.

I have no problem, sir, with that, sir, but it is extremely disrespectful to the taxpayers of this country for government to have just paid out \$120 million dollars on the guarantee that we said should not have been entered into in the first place, and to not say a single word to the people of this country, sir. What makes it worse, sir, is that this government guaranteed this project, sir, against our

advice - guaranteed private village, sir, on a project that was in the ground. That is what this guarantee was for, sir.

At the same time that the government was doing that, there was another entity - a functioning tourism enterprise in Barbados, in the north - that was in serious trouble, serious financial trouble, and went to the government for assistance. Went to the government - Neilson Massey, as I understand it - went for assistance. They were employing just under a thousand people or so, hundreds anyhow. And the government refused to help them but helped one of their competitors. That is when Massey decided - that is why they decided - that they were going to close down the place, because government would not help them secure hundreds of jobs and the largest single room stock in any one place. And we heard it - a lot of benefits, some millions of dollars in small buying things from small people around the area and so on, sir. The government turned its back on that enterprise that wanted help, a going, functioning concern, and decided to go and institute a guarantee for a project that was in the ground, only to find that the guarantee, sir, was called. And not a single word has been said, sir, to the people of Barbados.

So what is even more suspicious - what is even more suspicious - is that recently there was the sale of the BNB shares to Republic Bank. Mr. Speaker, you would recall how arrogant Republic Bank was in taking on their terms and had a value less than what the shares were worth - all of these shares, sir, that the government held. Do you know, sir, that that sale took place at the same time, at the same time, as government had to pay the second part of the guarantee that was called? This is really a very uncanny coincidence, sir. No doubt, sir, that the sale at that time took place to be able to pay the bondholder, sir, in relation to the guarantee, sir.

What does that mean? Is the government now the owner of the Four Seasons project or a substantial owner? Having been called on the guarantee, is the government now also exposing itself to liability in relation to bill owners who paid it down and now might be planning to pull out? Has the government exposed itself to any further liability as a result, sir, of what was the origin of it all - the government getting involved in a project that was private sector, that we told the government it should have left as private sector, but it did not?

And yet, of course, the major absurdity in it all is that they have not allowed Aman to go under. We do not hear the government saying, after a very long time, that shortly they will be working - I think they said - with a private partner to revive the enterprise. And the question, of course, will arise: why did you let it go on in the first place? Why did you not stop it from going on instead of having to revive it? But not having decided to revive it - who is this partner going to be? Is this partner going to be

the major financier of the Democratic Labour Party campaign just now? Is it going to be someone who is known more for roadworks, housing, et cetera? Is that entity now going to become the government's partner in relation to the Aman hotel? These are things that the government needs to tell the people of Barbados, sir. People should not be walking somewhere, somebody pulling you on the shoulder and telling you, hey, you hear this or you hear that - you should hear this directly from government.

But there is an even bigger fantasy in these estimates and it relates to government's renewable energy programme. It really is a big fantasy, sir. We read from the Minister of Finance that in short order - he likes phrases like that: in short order, soon, next three months, all these things, sir - government will be bringing to the parliament a bill to give effect to the proposals of the 2012 budget in relation to renewable energy. We heard in the Throne Speech, sir, that was populated almost entirely with content in relation to the government's intended renewable energy programme. We heard the Minister of Finance castigate the Barbados Labour Party with the absurd allegation that we did nothing to restructure - he called it - in 14 years, but that they will be doing so by the introduction of their renewable energy programme. We heard that this renewable energy revolution will be the centrepiece of Barbados' economic strategy and that it will make the world of difference in five years.

Now, Mr. Speaker, the government would do well to look at the National Energy draft national energy policy of Barbados, 2006, because that policy recognised the importance and the undeniable value of renewables. But it took a different and a far more realistic approach to the matter, sir, from what is being argued now by the Democratic Labour Party, sir. In that document it was recognised that you are talking a period of approximately 20 years - 20 years from then, or from whenever you start - to move from a position of having 70 per cent fossils and 30 per cent renewables. You would never reach the stage in anybody's lifetime - them here, or grandchildren or great-grandchildren - to move to 100 per cent renewables. But just to get to 30 per cent, this government recognised that you need at least 20 years to get there, sir. It cannot be done overnight. It is a process and it is actually a medium-term process.

And when you consider that there is now a four to four and a half per cent demand increase in demand, sir, being made on the Barbados Light and Power Company, you know that you are going to be dealing with more and more electricity having to be supplied to more and more households that use around 34 per cent of the electricity generated in Barbados. It is a gradual process, so do not give the impression that in five years' time you are going to make any serious inroads into the use of renewables or that

it will be the engine of growth for the Barbados economy, sir. That cannot happen. And this government is not known for speed anyhow.

And if you look at the fact that last year on June 25th, the Minister of Finance, as he outlined his proposals for the budget in relation to renewable energy, he gave the assurance then that the amendments to the Electricity Act would have been before this House in August of last year, 2012, to facilitate the early distribution of excess electricity produced outside of the main power company into the national grid, sir. It is now four months before August this year and still nothing, sir, but ill-conceived and unresearched comments, sir.

As usual the government is talking about solar or natural gas powered buses and hybrid vehicles. Firstly, sir, we do not have enough natural gas to let the Transport Board operate natural gas buses. And the idea there, sir, that the Member for St. Lucy will probably conclude a fresh agreement with Trinidad and Tobago before we see any pipeline from Trinidad with natural gas coming to Barbados - Trinidad is another plan entirely. There was a pilot project in Barbados some years ago, around 2008 or so, in relation to natural gas, and only three vehicles got powered by natural gas before that project was stalled. There are no solar powered vehicles in Barbados. In relation to the hybrid vehicles or the electric ones, only one was brought into Barbados - a small little car, whatever you call it - and that was costing well over \$100 000, sir. Quite frankly, there is nothing you can do about gasoline vehicles unless you are prepared to limit the number of vehicles that a Barbadian can own. And if the government is prepared to say that they will do that, then say so. It will come down in the end to photovoltaics for households, who are the largest users. And that has been moving at a snail's pace.

At nail space, sir. You also have to bear in mind, sir, that the government is going to be introducing a renewable energy programme. It is not creating a renewable energy industry. That is important because it means we are not going to make the component parts of a photovoltaic system, so we have to import them, which means we have to use foreign exchange to bring them in. So while you might be cutting your import bill on the one hand, you are going to be increasing your import bill in relation to component parts for photovoltaic systems. And then you have to look at the issue of training. You have to look at the issue of training because you have new technology. So you have to train people to use it, sir. So you can rest assured that renewable energy, sir, is not going to restructure the Barbadian economy - and certainly not in the near future and not under this government, sir. But it started in doing every conceivable thing. But there are some things that the government can do immediately to ease the squeeze on people. For starters, it can take the VAT off the electricity, which is what we had pledged to do and would have been

done already if we had won the government - so that people now would have been feeling at ease. That is the first thing, sir, you would have done, sir.

More importantly, sir, this government can also lower the levy it imposed to assist the oil company BNOC to repay debt, the origin of which is to be found in the decision - the conscious decision of the Barbados Labour Party - to cushion the impact of increases in prices overseas on the consumer public. We took that decision; BNOC may have made some losses - BNOC was never established to be a profit-making company anyhow - but it made some losses and they had to go and decide to recoup the losses. It issued some bonds, incurred some debt. So the government decided they were going to bring all that debt under control. But not only has the debt already been fully repaid, but the government has allowed BNOC to make obscene profits - obscene profits of over \$35 million or so per year. And to the point where in December gone, the government took some \$24, \$25, \$26 million from that company into government coffers. You believe that the government took last year - for the first time since BNOC was owned by government - the government took around \$24 million last year from BNOC out of profits it made to put in government's coffers, while people are screaming every day for assistance. And the government would not lower it by a single cent - not by one cent - although the purpose for which it was introduced has been more than served. So this is a government, sir, that has really lost its way. It has lost its way, sir.

And the government also has a duty to assist - as I said earlier - perhaps the most important sector of private enterprise, which is the hotel sector. Because in terms of sanity, policy government has to recognise that ten percent on average - ten percent of the expenditure of hotels - goes on electricity costs. Ten percent. And it is within government's power to ensure that those sectors that generate revenue for Barbados also have some sort of ease. This sector here, the tourism sector, is on its knees. This is a sector, sir, that is getting worse and worse with every single passing day.

And Mr. Speaker, I wanted to take that statement literally because when the Honourable Member for St. Michael North East spoke, she spoke on the basis of data that she had then about Barbados' position vis-à-vis its neighbours in the region. And the Honourable Member said then - and was correct then - that Barbados was actually second last of the 24 countries reporting to the Caribbean Tourism Organisation. Second last. The only one worse than Barbados was Montserrat. And that was accurate then. But even as the Honourable Member was speaking, information on the website was being updated even as she was speaking, sir. When I checked yesterday, sir, and I saw what the position was, sir, Barbados has moved from second last - no, sir - to last. It has gone to last. Even

Montserrat, that we were outdoing, overtook Barbados overnight and we now find ourselves with the distinction of being the worst-performing country in the entire region when it comes to our tourism, sir.

Last year Barbados had fewer tourists coming than came in the year 2000. In other words, sir, in the second decade of the twenty-first century we are still performing the same way that we performed in the twentieth century. That is what that means, sir. And everybody on that side, sir, is excited about tourism - everybody excited, the Minister of Tourism. But the thing, sir, is that they all walk with their own facts. And that is the problem because I heard the Member for Christ Church West making the point yesterday that international tourism is down all over and Barbados is still a premier destination and does better than everybody. Not going to force it. Let me just explain, sir.

But the beauty about the written word is that it can only be changed by fraudulent means. And I want to just share with members. These are things that the travel and tourism minister should be aware of, sir. Headlines there dated February 5, 2013. Headlines: International tourist arrivals bust billion milestone. Ever heard that, Minister? International tourist arrivals bust billion milestone. And I will just take a documentary also - it says this: international tourist arrivals grew. Bear in mind, sir, that Barbados last year declined by 5.4 percent.

Always bear in mind as I am reading: international tourist arrivals grew by four percent in 2012, surpassing the billion mark for the first time. Based on the latest UNWTO World Tourism Barometer, arrivals reached 1.35 billion last year and are forecast to increase by another three to four percent in 2013. So an increase last year and a projected increase this year - in terms of the prospect of Barbados increasing this year, sir. Again, sir, figures now - not March 7th, but March 14th - Barbados can decline by 9.2 percent while there is a projection that it is going to increase worldwide by between three to four percent.

Two thousand and twelve saw continued economic volatility around the globe, particularly in the euro zone. Yet international tourism managed to stay on course. The sector has shown its capacity to adjust to the changing market conditions and, although at a slightly more modest rate, is expected to continue expanding. In 2013, international tourist arrivals to Europe were up by three percent to 535 million. Asia Pacific was the best performer with a seven percent climb to 233 million, while the Americas saw an increase of four percent to 162 million. Africa recovered well - arrivals to the region grew six percent, reaching a new record of 52 million. Everybody in the world is up except Barbados, sir. In terms of revenue, sir, tourist receipts were up as well, sir, whereas in Barbados again, ours are down.

Now, Jamaica - in the region, up to the end of September last year - Jamaica has made \$1.7 billion US dollars in receipts from tourists. \$1.7 billion US dollars. So we would be lucky if we made half of that for the whole year. Jamaica. I keep on telling the Minister to look at some of these models, but he keeps on flying in the face of success to drown his own failure. I have never seen it. I have never seen it. He locks up his own failure with his pride and dignity, sir. It is unbelievable, sir.

Sir, I just want to say I really - there is a much bigger story, a tourism story, to tell. But there are other debates that will come along, sir. But somebody needs to say, sir, that this country is on a path to being in the IMF. But what the Minister does not understand is this: Jamaica is in the hands of the IMF not because of, but in spite of, its tourism performance. Barbados will perhaps end up there performing the way it is, sir - not in spite of, but because of, its performance.

SUSPENSION

Hon. J. D. E. BOYCE: Mr. Speaker, sir, I beg to move that this House be suspended until 2.00 P.M. for lunch.

The question that the House be suspended until 2.00 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the House accordingly.

RESUMPTION

Mr. SPEAKER: Honourable Member, the sitting is resuming. The suspension was taken on Order Number One. With that we shall continue.

Honourable Member for Christ Church West Central - East Central. Sorry - always confused that.

Hon. R. D. JONES: Thank you very much, Mr. Speaker. The recent election gives me the opportunity to once again thank all the people of Christ Church East Central for their participation in this great democracy, by going out to vote. I am extremely pleased and I therefore thank them for giving me the opportunity on the third occasion to represent their interest in the third oldest parliament in the Commonwealth, the Parliament of Barbados. I further wish to thank them for increasing the majority between the third opponent who I have had in three terms. I am already told that the Barbados Labour Party will bring a new individual whenever the next election is called. In fact, I don't look forward to it because without boasting, the last one who came was almost like drinking soup off a shallow plate. But I recognise his contribution as well. As a Barbadian citizen, I know his family very, very well. In fact, I encountered on the final

day one of his members of his family, who was married to my first cousin, assisting him in something. And we all spoke pleasantly. That's how Barbadian politics should be. We should win by ideas, by persuading persons that our path to progress was the correct path to take and not simply using phrases, catchphrases, impression persuasions, impression management, money in your pocket as the ways and means of seeking to influence people. Because, in fact, if it was just simply money in your pocket, the \$1.7 million paraded around in the suitcases by some honourable members from the other side, they would have won this election hands down.

In fact, Mr. Speaker, as I seek to deal with the Appropriations Bill, I am extremely glad that the young men from Ferry Valley, Wilcox and the young men from Silver Sands, which we call below the rock, did not succeed in dispossessing a certain individual of the \$1.2 million that he would have had at that time after the night before getting rid of the \$500 000 - because we would not want to engage the services of the Royal Barbados Police Force. So the people have spoken. We get down to serious business. We get down to serious business. And in that serious business I want to compliment all of the members on this side who remain focused on continuing the development of Barbados, notwithstanding the serious difficulties which still continue to affect the world.

On my way to this honourable chamber this morning, as I constantly do, I switched to 92.1, which, for purposes of clarity, is BBC Radio - to be told by one of the commentators there that the world is still in a serious financial mess. Now I gave that commentator greater credence than I gave the Member for St. James North, who in his usual bluster wanted to suggest to this honourable House that the crisis was over three years ago. I would suggest, as a young member, Mr. Speaker, to this House, that the honourable member takes guidance from the senior Member for St. Peter. Even though he himself sometimes moves to make certain lavish labour, at least he brings a sense of seriousness and measure to when he speaks. And therefore he needs to draw some level of sense from whatever happens in the House.

Dear members on that side, I wish to commend for their maiden speeches - of course, that is like a belly pain; of course we tend to give each member the chance to speak, to get it out of their system. But there are some who have come to the House as though they already knew. I commend the honourable member for the City, whose speech I thought resonated quite well and demonstrated a certain military maturity, a sense of seriousness to this task in this honourable House. I cannot speak the same for the Member for St. George South. Sometimes unnecessary exuberance and trying to deny what was done by someone else does not make you any better - in fact it makes you worse. And in your own celebration of your success, quite

a resounding one, one should still at times temper your own level of enthusiasm, your own level of exuberance, in recognition of the value and worth of others. I am older than you and I am just offering a little word of advice, since I knew your mother exceptionally well. She ensured, Mr. Speaker, she ensured that when I was a youngster teaching at Christ Church Boys' School, that the rooms were well maintained, the rooms were well kept. And it should be of great pride that the offspring of a lady who kept the floors clean for students and teachers can rise to the level that you have now risen. And therefore just temper, sir, your enthusiasm with understanding of the work of others.

On Monday the honourable member for St. Michael North West outlined to the people of Barbados in the Appropriations Bill, and the attachment of the Estimates, what he considered to be the kinds of programmes, the kind of opportunities, the resources needed to carry forward the agenda in these most difficult times. The Estimates cannot be for everybody the same thing over and over. You cannot, as explained by the honourable member for St. Philip West - the Estimates are what they are. They point directions to an ultimate destination. But as one travels to an ultimate destination there are so many challenges which can come up from time to time that you have to stop, make the reflection, make the adjustments, and go forward. All of a sudden the Estimates are supposed to be written in stone. They are supposed to give you every single thing you want to achieve from the 1st April right back to the 31st March. It must not be dynamic, it must be inflexible. This is what the other side want to preach to us. They pretend they never did it. It is not part of the way of the course - it is the dynamic process. And therefore within the context of that dynamic process there is a means through which you can act. You can vary - now called virement - within the structure of government. You can come back for supplementaries; you can, in your budget, make adjustments to how you want to raise more revenue or ablate revenue. There are so many things that happen within the context of the operations of government, within the context of the operations of the Parliament of Barbados. And that is why we are here to take decisions.

I understand the nature of our Westminster model. I understand the nature of our democracy - that is contestation. And that contestation must not be seen within the context of a person violently fighting over, as in the case of a pot of soup, and maintaining rigid bipartisan positions in the particular exercise in what we do. Therefore, I am a bit concerned that the honourable member for Christ Church West - and I applaud her generally, a well-presented speech, it is a speech that I wanted to add to the other four in Christ Church, I would not deny that - but the good people of Christ Church West spoke, notwithstanding that the honourable member for St. Peter had declared himself as the overall campaign

manager for Christ Church and therefore he was only able to get 20 per cent of Christ Church for all of his work. Of course, he did not leave St. Peter. But be that as it may, now she made a statement and it continues in the vein of statements being made over the last four years relative to the use of the National Insurance Scheme funds.

And as she can remember, the House can remember, a study was done, Mr. Speaker, a few years ago by the Debt Unit Research and Economic Analysis Department of the Central Bank. And we spoke to how NIS funds are invested over time and looking at the ratio and percentages and the investment of those funds. First thing, one must accept that those funds must be invested to generate greater income to satisfy those persons to whom pensions will be given and paid out over time. And the National Insurance Scheme of Barbados is an extremely viable, well-run, well-managed, and protective and protected National Insurance Scheme, regardless of who might mouth off. And in many instances it is mouthed off. During the reign of the Barbados Labour Party, 37 per cent - 37 per cent - of NIS investment portfolio was invested in treasury bills, treasury notes, more long-term instruments, debentures, et cetera. 37 per cent. Up to 2011, it instructed around 43 per cent. So on average, there was no major shift in the utilisation of the resources of the National Insurance Scheme to support the very people, the very people from whom those monies come. It isn't that you go out, see a tamarind tree, and you pick the leaves off the tamarind tree. It is out of the coffers of workers and employers that those funds come initially and then invested to maximise its greatest use and its greatest potential.

Now, looking across the world between developing and developed countries, Mr. Speaker, to see how much of national insurance funds are invested - a snapshot between Canada on one end and the United States on the other end will tell you where Barbados is located in its use of NIS funds for investment purposes. Canada is at 23 per cent - that is a low. The United States of America, 100 per cent. Barbados, 68 per cent. Trinidad, 24 per cent. Bahamas, 45 per cent. Cyprus, 93 per cent. And Singapore, 95 per cent. Now, Singapore is a country that we love to talk about. We keep saying that Barbados should be modelled after that country and should follow many of the examples established by that country. But at the same time there you have that amount of resources that can be used for national development. And in the instance of Barbados, the investments held by the National Insurance Scheme in government paper pays them significantly well, pays them in great abundance. In fact, if it were possible that the government had other sources or maybe the other sources available - in fact, what we said is, don't really take National Insurance money because it is expensive, 7.75 per cent, 8 per cent - when they want to give you any little loan it is extremely expensive, but it is utilised. So we must get off this bandwagon as though somebody is trying to

deprive future pensioners of their pension rights. That is not the case for the Democratic Labour Party and I would argue it is not the case of the previous Barbados Labour Party government either. It is prudently using existing resources. Why should the people of Barbados allow the National Insurance planners and policymakers to take up their money and go and invest it in somebody else's land? First unto yourself be true - that has to be the philosophy. First unto yourself be true. Utilise those resources which exist within your own space to maximise the development potential of your people and of your country. That has to be the mantra.

So it is a bit unfortunate that the honourable member for Christ Church West, following a trajectory previously laid down by others on that side, will simply bite into soft flesh or will seek to bite into soft flesh. It is not necessary. We have to be careful, yes - how it is used, what is invested in, et cetera, et cetera, et cetera. A diversified portfolio for the National Insurance funds is what is necessary and is what is needed. Some in government paper, some in real estate, some in shares equity financing - have a diversified portfolio. So let us stop it at 2013. Mr. Speaker, we have to take an approach which speaks deeply to the non-partisan development agenda for Barbados. This is what we have to speak to and I believe that is why all of us to some extent were called to the service, the service of the people of Barbados. And yes, we fight because we want to govern and there is nothing wrong in having that verbal contestation, in seeking to be the governors of the state again. This is an inheritance and it is a model that we continue to use to good effect.

After the 21st February, on the morning of the 22nd February, Barbadians went to work - all who went to. Yes, there was a bit of angst, a bit of anguish in the bosoms of some of the people who wore red during the cycle of the election. But that is understood, just like in 1999, in 1994 and in 2003. Don't let us pretend. Many will remember now - for St. James Central, wearing a hat of yellow and blue, it was in 1999. He felt his angst too, the anguish too. There is no need to pretend, but we need to move beyond that, to move beyond this one-upmanship, one-womanship, or whatever you want to call it, and all of these levels of behaviour. And I would want to encourage you. I remember the Member for St. Andrew - he has been here now five times or six times now. He should be an elder statesman. He should be providing the kind of mental clarity which will help guide those who are younger. Rather than that, they seek the support of the honourable member for St. George North for guidance and for encouragement - not good examples, but at the end of the day, that is what happens.

The honourable member for St. James North - and I hope the people of St. James North don't regret it in the shortest possible time - saying that we shouldn't talk about

Greece or Rome, the face that launched a thousand ships and such like things. That is a poem, sorry, by Hilton Vaughan - I know you are not familiar with it. I just pull out two lines from it: turn sideways now and let them see. You would know that. I remember. But the point is, what about Cyprus? Don't mention Cyprus. All of a sudden you want to isolate Barbados from the total world. The reality is that we are still in a crisis. The confidence of the world's citizens is completely shattered. Not until we are able to reignite, regenerate that confidence in ourselves as inheritors of this earth, as inheritors of this land - not until then will we be able to start to see the kind of change right across the Caribbean space, right across this part of the world, Central America, South America, United States, and into Europe, Western Europe, Central Europe, wherever, right across Africa, sub-Saharan Africa, et cetera.

And this notion - these are just debating points from the honourable member for St. Michael North, an individual whom I thought by now would have been freed from coming to this honourable House - gets up and makes the same point I have been making now, six to twelve. And every time you speak about tourism and it is getting worse - no, Barbados has gone below monster. There is no comparison between tourism inflow, tourism expenditure, tourism revenue, any kind of statistical minute.

Statistical monster does not get no more than about 1 200 persons getting there in any one year because there's a little airline with no more than eight people join. Nine because one sits next to the pilot coming flying out of Antigua, not going to Mars, lad. One, then nine, eight behind a pilot. Go around, please, and sit next to it. So when we make this comparison, we still get hundreds of thousands of tourists, long stay arrivals, as they're called, and persons who get off on cruise ships coming to our country. So don't let us reduce our country in that kind of way.

When one looks at the tourism figures coming out of Jamaica, yes, they're bringing more tourists into Jamaica. I went to Montego Bay a year ago and I was shocked about the amount of planes just landing and people just flying in, getting off and walking around. And then I came, I said, look at this thing, I look at the Spain and per capita, Barbados still beats the packs off of Jamaica and you might end up with 900 000 tourists or whatever the figure is, I don't know. But just beating this issue to death really doesn't make any sense.

It is the kind of solutions offered by the honourable member for St. Michael North West, offered by the honourable member for St. Michael South Central, offered by the honourable member for St. Philip West that will help bring about the change in this economy and in this society. And don't let us bastardise what was stated and what is meant. There's nobody on this side who don't

believe that a strong economy leads to a strong society. And flip it. And there's nobody on this side who believes that a strong society helps move a stronger economy along. Do not create an artificial dichotomy. Don't create an artificial space in which you would want to locate your argument.

So the honourable member again for Christ Church West - it's really unnecessary. You're a lovely young person and you need to follow the examples set by those who are senior to you. I was a bit appalled that the honourable member for St. Michael North East, notwithstanding the great challenge provided by the member of the Democratic Labour Party who ran against her, albeit not successfully, but these are the vigours of democracy, spoke about a reduction in the monies for educational purposes of \$112 000 000. And I said \$112 000 000. These are not the figures that I saw. These are not the figures that I know. Which part of these estimates was the member speaking from?

And I went through and I look at the appropriate page. \$112 000 000 - what would we have to do? Mr. Speaker, over 50 per cent or more of the teaching population of Barbados just has around - just around 3 000 in the secondary and primary school system. It's about \$112 000 000 reduced by - in fact, I'm not going to argue that there has not been a reduction in the monies available. There have always been some up and down fluctuation according to the amount of work being done in the infrastructural provision under the Ministry of Education. This has been the case. There was a time when the infrastructural provision in the estimates was a lot higher, especially during the period of the educational sector enhancement programme in the nineties, early nineties and in the two-thousands, et cetera. So these are the facts. Facts are like eternal truths. They don't change regardless of how you try to bend them or cause them to change.

The information says teacher training \$4.4 million and this is up over time - sorry, \$4.26 million up over time. Basic educational development, which is nursery and primary education, about \$161 000 000; secondary \$127-28 million; tertiary \$144 000 000; and special services such as school meals, transportation, et cetera for students \$43 million - \$499 000 000 as a provision for education this year. The figures I stated in the previous current estimates, which was passed for 2012-13, spoke to some \$509 000 000, albeit slightly adjusted over time. And I believe when the actual figures are realised in a year or so you will find that it corresponds very well to this \$499-\$500 million allocation for education.

There's been some debate in relation to the University of the West Indies and the build-up of arrears owed to that institution - that cannot be denied. Again, facts are like eternal truths, so they cannot be bent away or

twisted away. And this has been a particularly bothersome saga of trying to provide tertiary education where revenues have been declining, where based on our model of providing education in what we call free mode would impact on our expenditures - that we decline in revenue. You have to find solutions to deal with an important issue such as tertiary education.

And please denote that the Barbados Labour Party, in its manifesto, they got their hands on a report done by Sir Hilary Beckles and the other tertiary level persons in the Ministry of Education, et cetera. And on pages 52-53, they spoke to what I call the Beckles Commission model of funding and organising and allocating education. I'm glad, Mr. Speaker, that for the first time in their lives that they are upset that a set of proposals have some merit and that these proposals came out of a commission set up by the Democratic Labour Party government in 2011. I cannot make the document a document of the House because I don't have it here. It's right before Cabinet for Cabinet to look at and to sign off on. But the Barbados Labour Party - we will support the programme. Page 55. This is the road for tertiary education as outlined in a report of the Beckles Commission on higher education 2012. And it's not only a simple matter of how you organise tertiary education in Barbados, but how you look at sustainable funding over time and we will discuss that. And since we already have your support on it, then you will not be critical of it.

The University of the West Indies can rest assured - there's been some shouting across the space, there's been some little irritants across the space, there have been documents being passed here and there across the space. But this is the path of the course, don't worry about that. They will be receiving from the Government of Barbados, for the debt owed on behalf of the education of Barbadian children, significant amounts of money, starting early April and following right through until that agreement is totally satisfied. But I want to say to this Chamber, and I want to say to Barbados, the model at this stage

is unsustainable, but you don't want to throw the baby out with the bath water and therefore you have to adjust the model in such a way that Barbadian students continue to go to the University of the West Indies, continue to add to the development agenda of Barbados because tertiary education still remains an important aspect of the human resource development potential of Barbados. And we must find ways and means of sustaining that, just like we must find ways and means of continuing to build out early childhood education.

I've already spoken to that on previous occasions and I'm seeing in the next three or so years those six nursery schools will be built out across Barbados. Two along the west coast, one in St. Philip, two in Christ Church - one at Gun Hill, one at Oldbury, some people call

it Genswick which ran the corner there. And three of those lots owned by private persons, three owned by the state and a complete rebuild on land which was owned by the state, which was occupied by the Co-operative High School. The Government Hill school will be completely rebuilt and the numbers increased from its current numbers and the existing facility turned over to be used by the Charter Broom School to accommodate whatever they want to accommodate.

This is the agenda. We will also go within the next year or so and start the construction at Bedville in Christ Church on 50 acres of land to be acquired by the state shortly, of a new secondary school to help ease the pressure - again in the manifesto of the Barbados Labour Party, thereby that is obligatory in ours. So that's not a problem. The thing is the execution of that particular agenda.

And in the north - it has been spoken about for some time. The northern part of Barbados, an extremely beautiful part of Barbados. The honourable member for St. Peter comes from that area and there was a time in my life when I knew his father - used to shake each other's hands nicely. A decent gentleman, good supporter of the Democratic Labour Party over the years. So I don't know how he could become so recalcitrant and disobedient, the honourable member, and moved away.

We will start the next field project for the expansion of tertiary education in Barbados. And along with that the hospitality institute, long spoken about - I don't claim any originality, that's not my nature - for the major expansion movement from the 20 or so rooms up there to 40 to 50 rooms to give it a certain level of cash inflow to put it on a more self-financing and sustainable model. And they also did the need to move ahead as identified in the American University of Medical School where we are seeing the potential of what we call exporting education services in Barbados by development of infrastructure. The development of infrastructure of bringing foreign students to Barbadian soil who want to be in a physical structure and not necessarily want to extract education simply by the use of information and communication technology. So there's a road to go. I don't like talking. I like doing. And you will see over the next few years, as long as the people are satisfied with the work, of the significant and serious change in education in Barbados that will impact on national development and national growth for Barbados. I thank you, Mr. Speaker.

Mr. SPEAKER left the Chair and Madam DEPUTY SPEAKER took the Chair.

Madam DEPUTY SPEAKER: Thank you, honourable members, for that warm welcome. I do take the chair as your Deputy Speaker. Honourable member for St. Peter, I thank you.

Rt. Hon. O. S. ARTHUR: Madam Deputy Speaker. May I begin by saying that it is a unique privilege and pleasure for me after 29 years in this parliament to be able to have such a beautiful presiding officer presiding over the affairs of the House. And I pledge you, Madam Deputy Speaker, that I will show you the same support and respect that every presiding officer is entitled to.

May I also begin my presentation, Madam Deputy Speaker, by saluting the contribution of the new members of the parliament. I had to give a maiden speech in 1984 and I was fortunate to be able to pick a relatively innocuous issue on which to give my maiden speech. It is without precedent in the history of this parliament that members have had to give their maiden speech during what is in effect a budget debate, and I would like to commend all of them for having so wonderfully met that challenge.

Madam Deputy Speaker, this debate is really the budget debate. The laws of Barbados and the Constitution of Barbados make provision for estimates of revenue and expenditure to be laid. Although we may call something else the budget debate, this is the real deal. Therefore, I propose to focus on issues pertaining to public finances and the related issues in respect of growth and development that ensue and are related to the state of our public finances.

I may say, in citing the context forming this presentation, that I have been fortunate to be a professional economist now for 40 years and during that period I have seen a lot. I like to tell members that I remember sitting in graduate classes to discuss with some of the leading economists of the Caribbean - George Beckford and others - the delinking of the United States currency from the Bretton Woods system and wondering what kind of world would follow. Those things now are taken for granted. But I make that point to say that this budget before the House presents this parliament and the country with the most imposing intellectual challenge that has ever had to be addressed through this budgetary process.

And perhaps the challenge can be encapsulated by one statement. What is the appropriate course of action to be pursued when the performance of the economy and the performance of the public finances are worse than the worst case scenario? That is the issue that faces this House. It is the issue that faces the country. And it is the issue, the answer to which, by which this budget before the parliament should be assessed.

All presentations in this House should be made easier by reason of the fact that this Democratic Party administration, over two terms, has chosen to have its public finances policies and programmes - the policies for the growth and development of the country - encapsulated in a medium term fiscal strategy. We are therefore in a

position to know whether the targets for growth and whatever else are being met or not met, how far those performance targets are departing from best case scenarios and even worst case scenarios. Because we have the advantage of the government's original medium term fiscal strategy and the revised medium term fiscal strategy, since these are the best case scenarios and the worst case scenarios to be attained in respect of government finances and in respect of the growth and the performance of the economy.

Now, Madam Deputy Speaker, this debate is taking place not at the start of the articulation of a medium term fiscal strategy, but after considerable effort has been expended in respect of revenue, expenditure and adjustments, and therefore the performance is telling.

Now, the original medium term fiscal strategy of the government - this must be the benchmark against which you match everything. It set up objectives to be achieved through that medium term fiscal strategy. The country was to ensure attainment of strong growth results after the recession. And in accordance with that strategy and the succeeding revised strategy, Barbados should now be growing at about 3 per cent per year. The country was also, Madam Deputy Speaker, to reduce the fiscal deficit. And the measures have been put in place to try to reduce the fiscal deficit. Are they working? And to provide a stable framework for the achievement of the national goals.

Significantly, Madam Deputy Speaker, the medium term fiscal strategy of the government and the revised fiscal strategy were intended to reduce the level of debt and to improve the country's credit rating. And I would like to repeat that. The medium term strategy was intended to help to improve - not maintain, but to improve - the country's credit rating. And it was to ensure that domestic and a whole other set of things were addressed.

Now, the question is: the government has committed itself to a medium term fiscal strategy; it has had to revise that medium term fiscal strategy in the light of changing circumstances. To what extent have the targets in that medium term fiscal strategy been achieved? Have they been consistent with the best case scenarios? Has the worst case scenario, Madam Deputy Speaker, been exceeded? And the answer to the question is yes. We now find ourselves in a situation where the government's financial situation and the growth of the economy is not just worse than the best case scenario, but worse than the worst case scenarios spelled out in the government's own financial strategy. What do you do - not just when things are bad, but when things are worse than your worst case scenario? That is the issue that this government, this parliament and the country must settle upon.

Now, let me just give it quickly. Originally, under the original medium term fiscal strategy in 2011, the best case scenario was that we should have had a fiscal deficit of 4.8 per cent. But in this year, the parliament should be asked to be approving a set of estimates for an overall deficit of 2.1 per cent. A deficit of 2.1 per cent is, as you know, the deficit that we have always said is a deficit we should be aiming at. So after the measures that have been introduced over the course of the last few years, we should this year be discussing deficits that are sustainable.

In the worst case, Madam Deputy Speaker, the worst case scenario is that the deficit should have been about 6.2 per cent. And the deficit being realised for this financial year is 6.6 per cent. The deficit, therefore, for this year is worse than the worst case set out in the government's own fiscal strategy. For next year, the overall fiscal deficit should be about 5.2 per cent. We now know, based upon the IMF approach, that the overall fiscal deficit will be about 5.6 per cent. And this, Madam Deputy Speaker, is based upon, as we know, the Auditor General's report, which is saying that the government is not faithfully utilising the accrual approach to the statement of expenditures. These estimates exclude significant expenditures which, if brought to account, will make these estimates even worse than they are.

More to the point, Madam Deputy Speaker - growth. This economy, after the application of these fiscal measures by the government, should have grown by 3 per cent last year and 3 per cent the year before. This year, to achieve the best case scenario, the economy should grow by 4 per cent. To achieve the worst case scenario, the economy this year should grow by 2.5 per cent. I want to repeat that. To achieve the worst case scenario, this economy should grow by 2.5 per cent. The Minister tells us that the economy is going to grow by 0.7 or 0.9 per cent. So the question therefore is this: if this economy is supposed to grow this year by 2.5 per cent only to continue the worst case scenario, what happens to us if the growth is what the Minister of Finance is projecting now?

Madam Deputy Speaker, this is a very serious situation. It is one that we cannot be happy about in many respects. I believe that with the election gone, the issues that should be confronting us in this parliament are these: a country is now performing worse than its worst case scenario. What is the set of measures that should be introduced to convert the worst case scenario into something that is sustainable? That is our responsibility to the country and to future generations of Barbados.

I believe that the fiscal situation that confronts the country is due to two things. In one respect, it is due to lack of fiscal prudence. This year, the estimates before this parliament reflect a lack of fiscal prudence. Let me explain. At the start of the year, the government anticipated

revenues of \$2.6 billion. During the course of the year, revenues will be \$220 million less than was projected. You would anticipate that if there was going to be such a large shortfall in projected revenues, the government would make a sensible adjustment. What happened? Current expenditure at the start of the year was projected at \$2.93 million. The government in its own estimates says it will spend \$3 000 492 000. So a government faced with a shortfall of \$200 million in revenue decides to increase its current expenditure by \$500 million. And that is why the situation of the public finances is immeasurably worse than the worst case scenario. That is the fact.

The problem we are facing in the Barbados economy is not just the fiscal issues, but the fact that underlying the medium term fiscal strategy is the need for growth. And until such time that this country can be put back on a growth path, the absence of growth in the Barbados economy - the absence of growth as anticipated to give effect to the medium term strategy - explains in large measure why the fiscal accounts and the state of the economy are where they are. This economy was projected to be growing over the last three years by 3 per cent per year. It has not come close to that rate of growth and in fact, in every year the growth has been 0.2, 0.3 and 0.7. Good order can only be restored to the public finances and to the Barbados economy if this country is put back on a stable growth path. And we would have thought that the Minister would have spent time dealing with the fiscal situation and discussing in connection with that the need for there to be a stable growth path achieved.

Now, Madam Deputy Speaker, I believe that a significant part of the problem of putting Barbados back on a growth path relates to an internal contradiction that the government is plaguing itself with in respect of how the Barbados economy should be made to grow. The government makes the assertion - not without some merit - that the world is in a situation of global instability. It even refers to a global recession. It becomes a contradiction if the government accepts that there is a global recession, for Barbados's economic growth to be only an export-led strategy. And in fact, it has to be said that that is the contradiction. If you say there is no growth in international demand, why are you projecting that the growth of the Barbados economy should be driven by exports?

More to the point, Madam Deputy Speaker, only countries that are at the cutting edge of international competitiveness will be able to pursue export-led strategies in the context of the kind of global instability that is presently obtaining in the global economy. And it explains why, for example, countries such as China, Brazil and others that were growing at 10 and 12 per cent are now growing by 7 per cent. Because this is not a climate in which a country should only be looking to pursue an export-led strategy. There has to be a judicious blend of

domestic stimulation and continued support for the expansion of the export sectors for there to be an appropriate growth strategy in today's climate.

We may have been making this point to the government ad nauseam. We have also been making the point to the government that with foreign exchange reserves at the Central Bank alone \$500 million more than required for safety, Barbados can have a judicious blend of measures that still support the export sectors but enable this economy to get on the growth path that comes from domestic stimulation. There are elements of the Minister's speech that suggest that he does not understand the need for domestic stimulation.

But I want to say, Madam Deputy Speaker, that there are strategic reasons - there are strategic reasons - why Barbados must look to a new type of fiscal incentives to be able to address strategic challenges ensuing in this economy. This economy is an economy that has always been driven in large measure, whether in export sectors or domestic sectors, by incentives. We have an alternative energy sector in Barbados to the extent that we have it because of incentives for solar water heaters. The credit union movement, Madam Deputy Speaker, is driven by incentives. The growth of our capital markets was driven by incentives. Barbados needs incentives to enable - and I want to stress the point - to enable private individuals to assume more responsibility for their personal welfare at a time when, and over a period in which, the government is disengaging by way of reduced expenditures from activities that have historically been the preserve of the state but which are critical to our national competitive position.

I stress the point that Barbados's position as a world-leading developing country is not based upon our GDP or foreign exchange reserves. When you look at the Global Competitiveness Report, our position is based upon quality of life, and it says that this quality of life has ensued from sustained investment in education and health. The adjustments that have been made in Barbados have already led to significant reductions of expenditure and investment by the state in both education and health.

If I could cite the government's own numbers, Madam Deputy Speaker. In 2011, government's actual expenditure on education was \$490 million. This year it is going to be \$372 million. That is a significant change. That is what is provided in the estimates. In health, Madam Deputy Speaker, last year the expenditure was \$463 million. This year it is \$400 million.

It is within our competence to be able to put in place incentives that will allow persons to assume more responsibility for their own welfare in these areas if the state is going to defray its investments in order for Barbados to maintain the things that matter in our

competitive position. In our manifesto, and I keep saying that we have to have what I call fiscal incentives for social transformation. We understand the need for fiscal incentives for industry, for credit unions and so on. We have to revise the registered education saving plan that not only allow a waiver of interest, the waiver on the interest to make it a full fledged. And we also have to introduce incentives to enable people to look after their health care if the state is going to reduce its expenditures. And that is what we mean by the need for these kind of incentives at this time.

Secondly, Ms. Deputy Speaker, there is a need for the government to put in place the right kind of restructuring policies. The Democratic Labour Party has come to believe in its own fallacy that there has been no restructuring policies for the impactors in the course of the last 15 years because they accept that restructuring policies must mean only policies that lead to the introduction of new sectors. That is not true. You can have restructuring policies that affect the macroeconomy in its entirety. The most important set of macroeconomic policies that have restructured the private economy are those that have led to telecommunication reform and the introduction of new IT platforms that happen to restructure the private economy. You have had restructuring policies, Madam, that have led to restructuring of sectors. The tourism industry in Barbados has been restructured by the moving away from the Hotels Act and putting in place a Tourism Sustainable Development Act. Industries have been restructured. The rum industry in Barbados has been restructured, given it access to the technical assistance programme that enabled it to restructure its production processes. So restructuring policies do not only mean policies aimed at introducing new sectors, but also involve any kind of policies that can lead to changes in the structure and the performance of the economy. And we believe this is, Madam, that the government is not focusing on the kind of policies that can bring about the restructuring of the economy because they believe that the only policies that are necessary are those that lead to the creation of entirely new sectors.

Third, the government in our view is placing unrealistic confidence in sectors which it believes will generate growth in the short term, without doing what is necessary to support those sectors which can pull Barbados out of this abyss. Now, I am all, Ms. Deputy Speaker, for supporting the cultural industries. I was the Minister of Finance who in 2003 announced that we were going to go in that direction. Between 2003 and 2007, we put in place the task force that had led to the draft legislation. But nothing has been done. Now, cultural industries and the creative economy can be transformational. But four additional things have to be done that are not being done to make the cultural industries become alive as a force in this country.

I ask the Prime Minister, by way of an aside, if he has read a document produced by his own government. That document is the strategic plan for intellectual property. It commits the government to spending at least \$11 million between 2009 and now on dealing with intellectual property issues. Because unless we deal with intellectual property, you are not going to have a creative economy. Nothing has been done with implementing the government's own plan.

Secondly, Madam, the creative economy and the cultural industries will depend upon market access and trade agreements. The great virtue to the Caribbean of the EPA with Europe is that for the first time Europe was prepared to open markets for cultural industries practitioners, entities, temporary movement of professionals and self-employed - that it was not prepared to do under the WTO or in any bilateral agreement that Europe has. There is market access on paper for the development of all cultural industries. But in order to move that from paper to practice, two additional things have to be done that have not been done. One is that there have to be visa abolition agreements, because you cannot write visa abolition agreements into trade agreements because they raise security issues and they have separately to be negotiated. And also there have to be mutual recognition agreements, because a doctor in one jurisdiction is not necessarily recognised as a doctor elsewhere. Now, none of those things have been done to take advantage of the market opportunities that are being created for cultural industries in Barbados. And until they are done, this is going to just be a figment of the imagination.

The other matter, of course, Madam, is that in Barbados' case, our creative economy will involve the non-traditional service providers. There is a Barbados Coalition of Service Industries that was created

to be the vanguard to enable our non-traditional service providers to access better markets. They used to be fully funded by the government. Now the Barbados Coalition of Service Industries only exists to the extent that they are getting help from external agencies. Put those four things right and bring the legislation, and then the creative economy and cultural industries can become a real transformational option - but not immediately, but over the medium term.

Same thing, Madam - energy. Now, in 2007, I introduced in my presentation to Parliament an alternative energy component. But the fact of the matter is this. The private investors are still making investment in fossil-driven capacity in Barbados, usually at the gas stations, but they are not making investments in hybrids. Secondly, in relation to photovoltaic, I am sure the other side would have recently read the submissions that were made to the Fair Trading Commission by the utility provider. The

utility has installed capacity and that installed capacity has been guaranteed a rate of return. If, for example, everybody was to start and generate their own electricity, then the utility would have to have a process of accelerated depreciation for its assets, and ask those who are not using photovoltaic to pay even more to give the rate of return. And therefore a lot of issues have to be resolved before these things can be made significant parts of the picture. I am saying they are worth pursuing, but it is a mistake to believe that they are going to generate the kind of growth that the government seems to believe they will generate immediately. They are worth working on, but do not believe that you can get substantial growth from these things immediately.

And I must make the point that sometimes the government is given advice that is so ridiculous that it is sad. There is an official of the government who presented to Washington the notion that Barbados has immediate plans to produce and export \$264 000 000 000 in ethanol. When you see these things, you begin to wonder - do you know what I am talking about? \$264 000 000 in ethanol. The notion that we are going to be having a stable economy because we are exporting \$264 000 000 in ethanol now is a joke, and a sense of realism has to obtain in respect of the way in which these things are presented.

The government can get us out of this situation by making the necessary investment in the sectors where the immediate potential is greatest - tourism and international business. We should not leave these debates until we are sure, given that the worst case is already before us, that we have provided these sectors with the resources to get the job done. I am not satisfied that the provision for tourism will get the job done. The tourism sector needs at least \$150 000 000 because we know that it is not paying its bills, and to give it less than it needs is insufficient.

Madam DEPUTY SPEAKER: Honourable Member, you have two minutes left.

Rt. Hon. O. S. ARTHUR: Yes, Ma'am. A judicious blend of policies in respect of domestic stimulation are necessarily supported. What has been introduced to the House in some respects - go back to what we call the fallacies of the Democratic Labour Party. To believe that capital projects that are not shovel-ready can give you immediate stimulus is a mistake. We saw over the course of the last four years, when the member says that they are ready - the member would do well to read the report on the cruise pier that was presented to the Barbados Port Authority, because the board approved a project but the analysis says that the economic and financial viability of the project had not yet been established. And if the Minister of Finance will speak to a large number of persons who are BLP supporters, he will understand that a lot of them have fundamental misgivings. As developed,

Barbados needs a new dedicated cruise facility. But the minister is telling us that they are going to have a cruise facility this year, and I am saying that it will not start this year.

Madam DEPUTY SPEAKER: Honourable Member, please wrap up your time.

Rt. Hon. O. S. ARTHUR: I am wrapping up, Madam. The largest increase in expenditures in these estimates for any activity is the expenditure for a programme called NEAT Barbados. Now, as the member for St. Michael North West - or North East - would know, this is to be an economy of debushing. I would urge the Democratic Labour Party to go back and examine a 60 per cent increase in expenditures when the economic sectors, health and education are being reduced. I would urge the members on the other side to go back to their philosophical moorings. The most famous speech in the history of Barbados was Errol Barrow's speech, and the person directly - the Honourable Lashley - said as much. Barbadians who have served in Singapore can tell you about Singapore. They have developed an education system, but they are teaching people things that are relevant to the 21st century. They are not teaching people how to read by the road. This budget is for an economy where we are teaching people to read by the road. The largest basic increase is for a 60 per cent increase in that programme, at a time when all of the other critical things - tourism, international business - are being starved of the resources necessary to take us out of this worst case scenario and put us back on stable ground. I would like to suggest I will feel confident and comfortable supporting these estimates if the programme for debushing was replicated in government support for the economic sectors and the social capital with outreach. Barbados will always remain in this worst case scenario.

Mr. SPEAKER: Honourable Member, Prime Minister.

Hon. F. J. STUART: Mr. Speaker, I rise to make a very brief intervention in this debate on the Appropriation Bill for fiscal 2013-2014. Obviously, it is known that annually, at this time of the year, in accordance with section 108 of the Constitution of Barbados, the minister who has responsibility for finances is required to lay in this House estimates of revenue and expenditure for the service of the island, and therefore, in accordance with that constitutional provision, we are met once again to discuss the annual estimate of revenue and expenditure.

Before I get into the heart of what I want to say, before a few brief remarks I want to make, I just want to congratulate again all those honourable members, new honourable members, who secured election to this House and to congratulate them on their maiden speeches and to

once again wish them a successful term of parliamentary service. I should also like, of course, to thank the constituents of St. Michael South, who once again, this time around, emphatically expressed their confidence in my representation by resoundingly returning me to this Chamber.

Now, Mr. Speaker, I listened with great interest to all the contributions made by honourable members on the other side during this debate. I have to concede that perhaps, coming as the debate does hard on the heels of a general election campaign, that perhaps it was expecting too much or asking too much to expect that one would have heard anything terribly new. I think this year's debate on the estimates of revenue and expenditure is a unique debate from the point of view that it is the first time the House has been called upon so soon after a general election to debate the estimates of revenue and expenditure. And therefore, a lot of the things that I heard in the House in this debate had already been heard on political platforms and reported in the media - print and electronic. That has been the tragedy of this particular exercise on this occasion.

Again, as I listened, I could not help but be attracted to a continuing contradiction - the contradiction of honourable members on the other side saying for the last five years that expenditure should be cut, but in this debate, both new and returning members were calling for increased expenditure in their constituencies. It is a contradiction which I have not yet been able to resolve. I know that the honourable member for St. Michael North West, in his contribution, asked the opposition to say what it is we have to cut. We have never been told what it is we have to cut. We have heard Barbados curled at the constituency councils. We have heard disparaging remarks now made about the National Environment Enhancement programme. I know that the people who are working in that programme and who can go home and put food on the table do not regard the programme as a waste of time. I know that. I know that those people who are able to draw a salary and pay their bills do not have the same view of the NEED programme as does the Barbados Labour Party. But it is not the first time when people from positions of leisure and comfort, who meet all of their monthly and weekly requirements, arrogate themselves the right to speak authoritatively on persons less well circumstanced. The kind of Marie Antoinette mentality - if you can't get bread, eat cake. That is the mindset. And it has always been the mindset of the Barbados Labour Party.

But let us get to the root of the problem, Mr. Speaker. This debate on the annual estimates of revenue and expenditure is not just a statistical exercise. Yes, because of the very nature of the estimates document, we have figures put to indicate what government intends to spend on particular sectors, on particular programmes for the next financial year. But undergirding the estimates and

undergirding any estimates of revenue and expenditure should be an overall vision of the government for the future of the country over whose destiny it presides.

Now, I have heard it said in this debate that nobody knows where the government is going. I thought that I had been repeating on platforms over and over again, night after night, that the government's vision for Barbados - the Democratic Labour Party's vision for Barbados - is the creation of a Barbados that is socially balanced, that is economically viable, that is environmentally sound, and a Barbados characterised by good and transparent governance. That for me is a destination. And it is a destination which the people of Barbados, having heard it articulated on our platforms, accept. And that is the vision we continue to pursue. It is not a vision that is so new that it creates any significant departure from what the Democratic Labour Party has always represented. Because in 1955, when the Democratic Labour Party was established, the vision for Barbados was the creation of a just society. And that vision is consistent with what we have been talking about over the last few weeks in the campaign, but over the last few months as we have talked to the people of Barbados. So we are not just dealing with a statistical exercise; we are dealing with the pursuit of a vision. And visions are not realised in six months or even in a year. We move steadily and inexorably and in a focused way towards the realisation of the vision we set for ourselves. And that is what this debate is intended to be about.

I am familiar now with the preoccupation of honourable members on the other side with the politics of arithmetic - politics of percentages, how much you are spending on this, how much you are not spending on that, and on it goes. I believe the honourable member for St. Michael East put his finger on the pulse of the issue when he said in his speech - that is the part of his speech that I understood - that this debate is a faceless and an empty debate because in some cases you allocate expenditure to a programme and the money is not spent and it goes back to the Consolidated Fund, and where you do not allocate enough money to the programme and you need more, you come back to the House on a supplementary. That is the history of this Parliament which celebrates 375 years next year. There is nothing new about any of this. So to get in here and to talk about what is not in the estimates and how much money this thing has been cut by - if during the course of the financial year it is discovered that the government needs more money to service a particular programme, we will come back here with a supplementary to deal with that issue. That is why they call them supplementaries.

I recall not too long ago hearing the Right Honourable Member for St. Peter, before the Barbados Labour Party came to office in 1994. Then, as that Right

Honourable Member is doing now, then it was easy to talk because it is very easy to talk when you are in opposition. It is very easy to talk when you do not have the decisions to make. And when that Right Honourable Member used to claim that the forecasting skills of the then-different administration were poor and that is why you had to come to the House for supplementaries - but if the Barbados Labour Party came to office, supplementaries would be a thing of the past. That was said. There would be zero tolerance for supplementaries. And you know, the late Sir James Tudor, of revered memory, used to always say that when God wants to punish us, He answers our prayers. His prayers were answered and the Barbados Labour Party was elected. And of course, over the period 1994 to 2007, I had lost count of the number of supplementaries that were brought to this House during that period. And that Right Honourable Member was the minister with responsibility for finance, so he had to approve them.

Mr. Speaker, I am not fascinated - I do not get a high by looking at arithmetic. I passed that stage of my life in primary school. But I noticed a kind of perverse fascination by honourable members on the other side with just being able to demonstrate that they understand percentages and fractions and so on. We go past that and we have to look at actual lives and how people are living in Barbados. And I listened and could not recognise the Barbados that I was hearing described on the other side of the House. In the same way, of course, that I could not recognise the Barbados that I was hearing described in the period leading up to the dissolution of Parliament. This Barbados in which people are suffering so badly and all this gloom and doom and everybody is walking around with a frown on their face - I do not live in that Barbados and I do not know many people who live in it either, except for the honourable members on the other side of the House who believe their own rhetoric and indulge in a kind of self-deception of which I am not and have never been capable.

Now, Mr. Speaker, it is common knowledge that the world has been going through its worst crisis in 100 years. People do not like to say it, but capitalism as a system has been facing its fiercest challenge over the last five years. In 100 years, not even the Great Depression that started in the 1920s posed as serious a challenge for the capitalist system as this present crisis has. And to pretend that you can have a crisis of this magnitude and of this duration and that Barbados can remain unaffected by it - that is again to indulge in a strange kind of self-deception. We are not, as I have said over and over again, we are not Robinson Crusoes living on our own little island, touching no one and no one touching us. Whatever goes on in the world, whether it be at the economic level or at the security level or at any level, now affects Barbados because we are part of the world's economy and the world's society. So it is disingenuous to suggest that the whole world can be out there in turmoil, but somehow Barbados can insulate itself

from any influences coming from outside of Barbados, and that we can be one bright city set on a hill where everybody's needs are being satisfied and there is no need to complain about anything. I beg to differ.

And I hear it said often by honourable members on the other side, how the economy of Barbados is smaller now than it was five years ago. And that is supposed to be an indictment on this government. Mr. Speaker, just a few weeks ago, the Governor of the Bank of England was reported as saying that in the year 2007, output in the British economy was at a value of 1.5 trillion pounds, the equivalent of about \$3 trillion. Output of \$3 trillion. He went on to say that as a result of the global economic downturn, in order to get back to that stage, the United Kingdom will have to wait until about 2015 to 2016. Now, I am not talking, Mr. Speaker, about Montserrat - this is a G8 country. I am talking about a country that used to own nearly the whole of the English-speaking Caribbean and Australia and New Zealand and India and quite a few colonies in Africa. And that country had an output of 1.5 trillion pounds in 2007 and since then has been getting smaller and is forecast not to be able to get back to its 2007 levels until the year 2015–2016. But Barbados is marked out because it is thought that we are not growing.

I heard the Right Honourable Member for St. Peter - heard it again - we need to be growing, as though there is growth stirring everywhere and Barbados will not grow. Again, countries far more powerful than Barbados have been facing acute challenges. Barbados is supposed to face none. And the picture painted of Barbados - this is a place that, quite frankly, I am surprised that honourable members on the other side still live here, because if this place is so unpleasant, I thought they would have gone and lived somewhere where the growth is taking place. But only the honourable member, the former honourable member for Christ Church West, was bold enough to take flight and to pass the baton on to the new honourable member for that constituency.

The Barbados that I recognise, Mr. Speaker, is the Barbados which, in spite of the fact that the world is going through this very deep crisis, in spite of the fact that we have been having challenges with growth, is still number one on the United Nations Human Development Index. You can talk about Jamaica as much as you like, you can talk about all the others - Barbados is the number one developing country in this hemisphere on the United Nations Human Development Index. That cannot be challenged. And we are supposed to be doing so badly. Yet all the countries with which we are being compared are doing worse, and we continue to shine as a country here in the Caribbean. I do not understand why honourable members on the other side want Barbados to do badly, or want it to do so badly as passionately as they do.

I know that a former honourable member for St. James South who now luxuriates up north, just taking a little time to come down and to dispense a few prophecies which all go wrong and then to go back up - I know that when we came to office that honourable member said at the time the West Indies team was performing very, very poorly, and that honourable member gave public expression to the hope that the government would perform as badly as the West Indies team was performing. So I am not being fanciful when I say that there are honourable members in the Barbados Labour Party who, before they retire at night, get on their knees and pray that Barbados will do badly.

Get them on their knees and pray that their country in which they live and move and have their being which created all of their opportunities for them, that country will do badly. Can you imagine that? Mr. Speaker, I don't understand this mindset. And not only are we doing very well on the United Nations Human Development Index, I heard the honourable member for St. Michael North today talking about tourism. And of course I heard the right honourable member for St. Peter on it as well. And I heard the honourable member for St. Michael North East on it when that honourable member did her speech on Monday afternoon. They're supposed to be the poorest and worst performing tourist destination anywhere in the world. Now I had to revisit the Travel and Tourism Competitiveness Report for the year 2013, published, Mr. Speaker, by the World Economic Forum. I had to revisit it to satisfy myself that I was not a dreamer. Do you know, Mr. Speaker, that in Latin America and the Caribbean, Barbados ranked as number one in tourism competitiveness? According to the World Economic Forum, the Travel and Tourism Competitiveness Report of 2013, Barbados ranked as number one in the English-speaking Caribbean and Latin America. Do you know, Mr. Speaker, that when Canada and the United States are included, Barbados ranks at number three? And I hear the honourable member for St. Michael North here today carrying on as though this place was about to collapse and that we should all duck for cover because apocalypse was upon us. I had to check to see whether I was daydreaming. I had to go to this very credible report to note that we are number one in Latin America and the Caribbean, and that if you include the United States of America and Canada, we are number three.

I listened to the honourable member for St. Michael North today. I just do not understand how you can have a political party that wants the country to do badly as passionately as the Barbados Labour Party does. This is our country and then elections are over. And when the people have spoken, as I said in a broadcast a few nights ago, we have to come together and work as a nation. You know, we came to office in January 2008 after 14 years in opposition. I heard the honourable member for St. Joseph speaking

here today as well. Now I can't think of any set of estimates that we've introduced to this House that were not the wrong set of estimates for all members on that side - in 2008 we brought the wrong estimates and the wrong budget; 2009, wrong estimates, wrong budget; 2010, 2011, 2012, same thing. But you know what excited me this morning, Mr. Speaker, from the honourable member for St. Joseph - that the estimates for 2008 were prepared by the Barbados Labour Party and that we only tabled them. So, you know, even estimates that they claim to have opposed, they came in and attacked in March 2008. The honourable member is sitting here today saying that the estimates of revenue and expenditure that were tabled in this House in 2008 were offered by the Barbados Labour Party in government and that the only responsibility the Democratic Labour Party had was to come in here and lay those estimates - yet he stood up in this House in March 2008 and attacked their own estimates, according to him. Where is the credibility in all this?

I have determined that I'm not going to delay the House by making any long speech in this debate because I have heard nothing that has excited my imagination, certainly not coming from that side. I've heard quite a lot from this side that has stimulated my imagination, and in that regard I want to congratulate the honourable member for St. Michael North West for his excellent presentation on Monday of these estimates of revenue and expenditure, and all those who have spoken in this debate. I pay particular attention to an excellent contribution made this morning by the honourable member for St. Philip - an excellent presentation which shows not only depth of thought but a certain creativity of intellect, not the unnecessary sniping. I mean, you don't need to read in order to snipe. You don't need to read. You can snipe without reading. But when you want to make a speech such as the one made by the honourable member this morning, or the other speeches made on this side of the House - the very good speech made by the honourable member for Christ Church East yesterday, and quite a few of the others, the member for St. Michael Central dealing with the IDB bridge approach, the eradication of intergenerational poverty - and other speeches made in this debate, that requires focus and thought, and that is what we have been about in this debate.

We are not saying that we did not play during the election campaign, because we did not believe - in fact, we knew - that things were not all well in the global economy and therefore not all well here in the economy of Barbados. So we didn't go there making any extravagant promises. We confronted Barbados with a vision of the future within the context of present constraints and realities. We were honest with the people of Barbados. They trusted us and they returned us to office. That does not mean, of course, that we don't have - in spite of the fact that we are doing better than all other countries in Latin America and the

Caribbean in the area of tourism - challenges in tourism. We know that. And the Minister of Tourism, the honourable member for St. Michael South Central, has known that for some time, and that's why he got the Cabinet to approve a restructuring of the Barbados Tourism Authority to separate its product development function from its marketing function. And that is why that honourable member came to this House with a White Paper on tourism so that the country could get a sense of not only what we were doing but why we were doing it. And yet I have to sit in here and listen to fiction from the honourable member for St. Michael North. Of course, as usual, he tried to slander me in this House today. But, you know, this is still the Lenten season, and the honourable member for St. Michael North is one of those bad habits I've given up for Lent.

Let me say this, Mr. Speaker, let me say this. We talk about tourism. We talk about the movement of people and obviously tourism is a real foreign exchange earnings sector and we have to take it very seriously. And we do take it very seriously. But as I speak, the United Kingdom is still our principal source market. The United States of America is still our second largest source market. The CARICOM region is still our third largest source market. And of course, Canada is still our fourth largest source market. If the picture which I just painted of the United Kingdom, Mr. Speaker - painted by the head of the Bank of England - if that picture is taken into account, it has to be understood that people who would ordinarily travel to Barbados will be operating under more constraint than would ordinarily be the case. Let's be very frank. The Chancellor of the Exchequer of the United Kingdom had to concede recently that his austerity programme was not working. And in fact, I think today he was supposed to present to the House of Commons a programme which he hoped would be a suitable replacement for that failed programme. Are people who are under that kind of pressure going to put travel to Barbados as their first priority? They're just not going to do it. That's our principal source market.

You know, you can market as much as you like. Marketing is very important and we place appropriate emphasis on marketing. But when all the marketing is over, there are two things that determine whether a man or a woman will travel. One is the ability to travel - so you have to have the wherewithal - and two, the willingness to travel, which has to do with a number of other factors over which no marketing programme has any control. And if you go to the United States of America, there are still upwards of 40 million people on food stamps in the United States of America. There are still nearly 20 million people in that country unemployed. Are they going to put travelling to Barbados as priority number one, operating in those circumstances? Let's get real here. Let us get real here. There are some who come and we are glad for them and we

will try to get as many as possible to come. But let us not fool ourselves that the world out there is an easy place and that we are talking about a situation of global normalcy here in the Caribbean. According to the Travel and Tourism Competitiveness Report, all other countries in the English-speaking Caribbean are doing worse than Barbados in terms of competitiveness. Are they going to up and travel as they used to before, when their own countries are under the kind of pressure that they're under? I don't understand the argument. And of those foreign source markets, Canada has been the most viable because Canada was the last country to be really hit, and it was not even seriously hit by this global economic downturn. But it is feeling the pressure of the downturn now. Again, we can market and we have to market, but we have to market while at the same time trying to reinvent and to control our optimism as to what the results will yield.

So I am not swept along by the bogus figures and the bogus protestations of the honourable member for St. Michael North. It seems as though the Minister of Tourism has been stuck across that honourable member's throat like a fishbone for the last five years, because in spite of the evidence, he comes into this House and tries to give the impression that things are not as the Government is saying. This Government has nothing to hide. We went to the people; both political parties had a chance to put their case to the people. We put ours, they put theirs. And the people knew which one sounded more realistic. We carried a manifesto that said we want to create a Barbados that is socially balanced, economically viable, environmentally sound and characterised by good and transparent governance. We didn't have to tell the people or beg the people not to use our manifesto as a doorstop because we had confidence in it. We respected what was in our manifesto. We knew that it was not just a collection of empty promises, but that it crafted a vision for the future of which we could feel proud.

I look forward, Mr. Speaker, to the return of our tourism industry to normalcy. But that is not going to depend on Barbados. That depends on what happens in other parts of the world. The tourists that we rely on don't come from the Bay in St. Michael South; they don't come from the Ivy in St. Michael East; they don't come from Parish Church West Bay Road in your honour's constituency. They have to catch a plane or cruise ship and come here. So what happens in tourism is not a function of anything we say in this Parliament or anything that we wish for. It is a battle which we have to continue fighting. And I am satisfied that the honourable member for St. Michael South, the Minister of Tourism, has been doing the best that can be done in all of the circumstances. He has my full confidence.

Then there's the international business sector. Now, I hear a lot of talk about that as well. That sector again

depends on the whole issue of confidence in the global economic environment. Now, many, many years ago, Mr. Speaker, a lot of wealth left this region during the days of empire, during the old colonial period - a lot of this region's wealth left it, was taken from it and taken to countries in the North Atlantic: the United States, the United Kingdom, Canada and elsewhere. There were no laws then to stop it because the persons who were taking the wealth also controlled the world. What has happened in the international business sector is that the influx of time and the unfolding of history has now seen a pattern where some of the wealth that was taken away is now making its way back into places like Barbados and other offshore domiciles. And all hell has now broken loose amongst those richer countries that wrecked these poorer countries in the first place. And the strategy now is to try and ensure that the leakage of wealth back to where it came from in the first place should be stopped up with expressions like trying to control money laundering and all those other fancy expressions coming out of the Financial Action Task Force and the Caribbean Financial Action Task Force and the OECD and elsewhere. The bottom line is it is an attempt to stop wealth from moving from the north back to the south.

A lot of wealth moved from the south to the north. Many distinguished works have been written on that. In fact, I like to quote this: that in 2007, when the western world was commemorating the bicentenary - the 200th anniversary of the abolition of the slave trade - the then Archbishop of Canterbury preached a sermon on the day of the anniversary at St. Paul's Cathedral in London. And he made the point then that the British people had to be reminded that a lot of the comfort, a lot of the development, so called, a lot of the leisure that was being enjoyed in that country and in the North Atlantic in general could be traced to the slave trade and slavery. And he said in that sermon that if you accept that, you have also to accept that a lot of the misery, a lot of the poverty, a lot of the discomfort that was being experienced in the Caribbean and in other parts of the Third World can also be traced to slavery. That's the Archbishop of Canterbury, Dr. Rowan Williams. Of course, I'm aware there's a new Archbishop now, but that sermon was preached at St. Paul's Cathedral, I believe, on August 1, 2007. So it is recognised that much wealth left this part of the world during the days of empire to go into the North Atlantic. And what is happening now is that a lot of that wealth has been leaking back into countries like ours, to the chagrin and to the disappointment of the ruling groups in those societies, in those countries - and expressions like harmful tax competition and money laundering and all these phrases have now been invented; they've invented a whole new vocabulary to ensure that wealth does not leave the north to get back to the south, except on terms acceptable to the people in the north. And that is where the challenges of the international business sector can be found.

Whenever you satisfy one requirement, a new one is put in your face for satisfaction. Whenever you think you've wrestled one challenge to the ground, another one confronts you. Because the goal post is always being moved. Because when all is said and done, the object is to make sure that the haemorrhage of wealth from the north to the south is stopped. We have to face that reality and we have to work our way around those challenges. And the government of Barbados has been working its way around those challenges. We've been doing it legislatively and we've been doing it in terms of our lobbying with the governments involved. And I think that we are in a position now, or we continue to be in a position, I should say, where we can wage that battle successfully. But we have to also face the reality that this is not a battle that is ever going to come to an end because the leakage, the haemorrhage of money from the north to the south is at the core of the issue. We've had to fight attempts by countries in the north to, as it were, give a dog a bad name and then hang him. So although we are a low tax, a decent, clean, low tax jurisdiction, we had to face the reality from time to time that we've been labelled as a tax haven with all the connotations of that label and have had to fight the same battles as countries not enjoying as clean a domicile as Barbados does. But that's a battle that continues. And of course the Honourable Member for St. James South now has responsibility for that sector and has brought the requisite enthusiasm and verve to his responsibilities. And I am confident that Barbados will continue to weather these storms that will confront us from time to time in the international business sector.

I take this opportunity, Mr. Speaker, to pay tribute to the former member of this chamber, the former Minister of International Business, who did an excellent job as Minister of International Business. And I was very pleased yesterday when the learned Attorney General reminded the House of that vast panoply of legislation passed by this government in the last parliament relating to the international business sector. More legislation passed by this government to modernise and to energise that sector than was done by the Barbados Labour Party over a 14-year period - that cannot be challenged. So I pay tribute to the former Minister of International Business and of course he will continue to make his own contribution to Barbados in ways that will very soon be determined.

So, Mr. Speaker, the estimates of revenue and expenditure fiscal 2013-2014 qualify for my approval. I have never come into this House for any estimates debate, whether sitting in the opposition or sitting in the government, and known that the opposition did not attack the estimates. I sat in the opposition between 1994 and 1999 and whenever the estimates came, you attacked the estimates because as civilian Harcourt said sometime in the 19th century, the role of the opposition is to oppose and to oppose again. That of course has limits attached to it. And

between 2003 and 2007 I sat in the other place. And whenever the Appropriation Bill came, you put your party's case. But when all is said and done, truth is that stubborn and will just not go away. And the reality is that children in Barbados are going to school, buses are running in Barbados as usual, people are still getting the quality care at the QEH and other polyclinics, the welfare department is still meeting the needs of the vulnerable, the economically vulnerable and the socially vulnerable. In other words, Mr. Speaker, Barbados is working. Whether you criticise the estimates or not, Barbados is working. And it is a tribute to this government that had to manage the affairs of this country during the worst crisis the world has seen in a hundred years that we have kept Barbados working and therefore we have nothing to feel ashamed about, nothing really to apologise for.

So the Appropriation Bill, which is before the House, has my support. It has the support of this side because it reflects what we think possible at this time within the context of the vision which we have crafted for the country. And as we go into the heads - international business, industry and then agriculture, and then if we have the time, culture and sport and youth - we will have more to say on all of these matters. But for the time being, I just want to thank all Honourable Members on this side for their insightful contributions. And with those few words, Mr. Speaker, I support the Appropriation Bill and look forward to the upcoming debate. Thank you very much.

Mr. SPEAKER: Yes, Honourable Member for St. Michael North West.

Hon. C. P. SINCKLER: Thank you. Thank you very much, Mr. Speaker, sir. And I want the honourable Prime Minister to express my appreciation to all members of the House who would have contributed to this exercise. Of course, as the Prime Minister said, this is one of the most important exercises in the parliamentary calendar for the year. Of course, equally as well in the government's calendar and course of work. It is where we lay out the government's budget for the fiscal year, and it represents an early indication of the government's direction in terms of its spending and how its revenue will be collected and affected by the various interventions of the government.

What we heard this week so far, the Appropriation Bill in terms of the debate has, I think quite correctly, as the Prime Minister has said, not been necessarily the most enlightening from the opposition side. That is unfortunate. It is almost like when you are playing cricket and you play too much one-day cricket. It is difficult when you are nine, thrown into the field and have to play a Test match. You come out still swiping as though it is a 50-over game. It is a five-day match and you kind of lose your posture, your poise and technique even. And for some members of the opposition, unfortunately, they thought they were still in

the one-day version of the game, and they came to the House not as prepared for the long haul of the debate and fell down quite badly.

I think the leader of the opposition was the perfect example of that. Having participated in the general election and made some of the most outlandish comments about the government and the government's policy and purpose and so forth and so on, unfortunately, sir, found herself not being able to connect readily in a meaningful way, substantively and constructively with the estimates or the Appropriation Bill as we were debating, and sought rather to give a political speech to the Parliament. Well, a politician giving a speech could only be a political speech, I presume, but even that has the contours of - should have the contours of some constructiveness or responsibility. And we have come to understand and appreciate now, from the leader of the opposition, that her speeches tend to start off at a reasonably high altitude. And having arrived at their destination quite much earlier than expected, the honourable members circled the airport trying to find the landing gear to put down the plane. On this occasion, unfortunately, the landing gear could not be found, and therefore we had to put up with almost more than three hours of harangue about how bad things are in Barbados and the hopping up and jumping around and fingers out below the road there who are being threatened with prison - by whom, I do not know - and how people at Clico and the usual political palaver that we have unfortunately become accustomed to.

I am not going to try to respond to any of that because I do not think it adds any value to this debate, and it certainly does not address the issues that confront the country. I am not speaking about anything to do with Clico and all of that, except to say that we are in the process of putting together the final touches of the plan that will be notified to the court. I believe they went to court yesterday to give an update to the court - the judicial managers, that is. I do warn members of the opposition to really try to keep as far away from this legal matter as possible, especially these allegations, because there is a lot more information that can be shared, and I am sure a lot of them do not want it to be shared. Because I know the member for St. Peter, sir - you had better believe it. The member for St. Peter, sir, has had to suffer a lot of public criticism, and I think quite justifiably so.

I do not want to go into the issues raised by the lady officer on Clico, because I do not think at this stage that is necessary. But I wanted to issue just a little caution to members of the opposition that the due diligence report of the accounting firm is out and I have it in my possession, and I know and have seen all who have received or who received the kindness and generosity of that company. The word to the wise is enough. A word to the wise is enough. I think we have heard enough of this and I really feel that the

childishness about who is seen with this body, who championed this body and why not - a lot of that childishness needs to stop, otherwise I am going to have to speak very clearly about it.

I also want to say, Mr. Speaker, sir, that as we have seen in repeated exercises of the estimates, there is this thing, Mr. Speaker, sir, where members take up the document. This is a document and I want to give credit - due credit, sir - to the public officers who work as hard as they do in the Ministry of Finance. The Permanent Secretary, not just the Permanent Secretary, the budget staff, the chief budget analysts and staff. I promise I have to take them to lunch, for the hard work which they do. And they had to work even harder this time and longer hours because of course in the intervening election they had to await certain decisions to be made, and that kind of would have had the document add up a little bit, and they worked very hard to get it done.

And I feel it is a little unfortunate when members of the opposition try to take the document up, look for any little typographical mistake that may appear in the document and blow that up as some type of malfeasance or some type of recalcitrance or an attempt by the government to try to defraud the people of Barbados or mislead them, and call the document a fiction because one figure may be incorrect. I really think that is a little unfortunate. These are the same public officers that work for this government - the same ones that worked for the last government. They are simply the same people. They have not changed. Their integrity cannot be impugned. They try their best. They try their best to report what they see. They are not perfect and therefore mistakes would be made.

I give a classic example. The right honourable member for St. Peter spoke just a while ago about education. He went to the document in the classification table to see how much money was set aside for education in terms of this year over last year and made the point - which the honourable member knows, must know - that the figure he cited had to be incorrect. He said it was \$372 000 000, down from \$490 000 000 the previous year. Now, the honourable member, I am sure, Mr. Speaker, would have gone to Head 77 in the actual specifics of the ministry, and seen that for Head 77, Ministry of Education, Science, Technology and Innovation, the amount assigned to that ministry is \$499 396 266. And what is captured on the other page - on Table five - \$438 320 000 could not be a correct figure in that listing of the table. That has to be a typographical error. We know what the Head says, we know what the table in the specific Head says. And therefore in the listing column, the incorrect figure - we know it cannot be, should not be. And to stand up there and give the impression that the government has cut education by such a substantial amount of money - I mean, really, he did not ask for clarification. He said it was a fact. And the

honourable member, sir, constructed in part his speech on that basis.

Now, I think it is unfortunate. I am happy to make the correction and I really feel that, you see, because the honourable member's speech - this honourable member for St. Peter - his speech was so all over the place. The honourable member clearly did not prepare himself. He wanted to say certain things and make certain points and try to find supporting evidence in the estimates for the points which he wanted to make. Is there anything wrong with that? Because that is good in terms of a framed, logical approach to argumentation. But clearly it has to be based on fact. Secondly, it has to be based on consistency.

I told the honourable member already not to come in here trying to lecture anybody about international trade. The honourable member prizes himself as an economist. I do not know if he is a monetarist or a fiscal economist or a developmental economist. I do not know what type of economist he is. He models himself and promotes himself as a great economist. Now, I know the honourable member is not any trade specialist. He does not really understand the subject. And if he does not understand the subject he should seek counselling - not from the honourable member for St. James Central, who himself professed to be an expert on international trade without any training in it at all. In fact, the honourable member spent a lot of time - he is my good friend of many years - he spent a lot of time in the Ministry of Foreign Affairs and Foreign Trade and was not allowed to participate in anything in there at all. Did not even get to sign a single file in there. And he said that. I know the most about him, Mr. Speaker, sir, but I like that. That was a nice way to put it.

But the honourable member for St. Peter said, sir, that we need to understand why the government is focusing on an export-led strategy to create growth in Barbados. He said we need to have strong domestic spending, a driving of demand, and this will get us the economic growth we need - forget this thing about export-led growth. Then he went on shortly after that to say that, you know what, the real strategy is that we should build up the cultural industries sector by negotiating agreements through CARICOM so that we can export our services and push the export services drive of the economy. Come on. Which is it that you really want? Export-led growth or domestically-led growth? You cannot have your cake and eat it too. And that is the problem with the opposition in relation to the economy in Barbados. They want their cake but they want to eat it too.

So you hear: why do you not cut? I dismissed the deficit - it is bad, worse than your worst-case scenario. But then a parade of persons get up and take up the estimates. Oh, look how you cut here and you cut there and this ministry got \$2 less and that body got \$3 less. What do you

want? I threw up the challenge - not one of them, Mr. Speaker, responded. Tell me what to cut. Do you want to balance the budget? If you want to balance the budget, tell me how we can get there. If you do not want to balance the budget and you want more spending, as some of them have been saying - spend more money, fund this, spend more money for that, give back this, give back that, cut this tax, cut that tax - no, you cannot do all of those things. You cannot do all of those things at the same time. Make up your mind what you want. I told you all, fire the economic adviser, get rid of the economic adviser, because something is wrong. And that is why the people of Barbados did not support the Barbados Labour Party in the last election to the extent of returning them to government - because of the inconsistencies of their arguments. There is a lot of confusion.

Mr. Speaker, sir, I want to take the opportunity - none of the members of the opposition seems to want to do it. I want to make the Barbados Labour Party manifesto document available in the House. They are not proud enough. You ever hear about jumble sales? A jamboree like a jumble sale - things all over the place. A doorstep, as the Prime Minister called it. In fact, the honourable member for St. George North said very clearly to me yesterday that that has to be the last time that they do a manifesto with the honourable member for St. Peter's face on it. Four straight manifestos doing a man's face on it. You cannot even find a little child, a building, some flowers - not even departed headquarters. But anyway. But it is a hodgepodge. You can see the thing was very quickly put together, no thought going into it, and none of it really connected with reality. And the same thing came here today.

If we know the world economy is still struggling - nobody says it was a recession. We said it is going through a difficult period of time. We say world economy, but when we say world economy, we really mean our main trading partners - that is what we mean. We do not mean the Chinas and the Indias. When we say world economy, we really mean a couple of words to pass for us all - Barbados, the US, Canada, the UK and so forth and so on, the Caribbean and stuff like that. And we know what is happening in the US, we know what is happening - up one quarter, down the next, up the next quarter, down the next - stock market up today, down tomorrow. It is a difficult exercise to plan and project and do any estimation in that environment. That is why all of this criticism of the medium-term fiscal strategy - I said it in my presentation last year when we bettered the medium-term fiscal strategy target. You hear the members jumping up and saying it is the worst thing and we got past our worst-case scenario. Nobody said, oh, you bettered it, but because you have a difficult year and the projections in a world economy, according to how you project it, because they are just projections. We made adjustments, but there is a limit to

the adjustments you can make without doing irreparable damage to the economy of Barbados.

But what was important, we kept the most serious and important variable in mind - that is to make sure that the foreign exchange of Barbados was in a state that people can visit a bank, visit a financial institution, get foreign exchange to do private or public, personal or company business. There are some countries in the Caribbean where you cannot do it today. In Jamaica, the rationale for exchange - if you come for \$50, they say you are going to get \$25. And that is what we are trying to avoid, because that keeps us on the field of play. And you can only win the match if you are playing the game.

When you are out the game, when you are on the bench or in the pavilion looking out, they don't work for you. So we have to get serious. And these activists are designed to give us the space to be able to do those things. Ostensibly, education is still the same, ostensibly, health care is still the same. And I must make this point. All previous ministers of finance have done it, including the member for St. Peter. They put a cap on the QEH. We brought the cap because when we found the QEH, we believed that it would have taken more money to service it and we gave it more money. In fact, the lowest amount of money that it got was under the previous minister of health, not this one, the one from the Labour Party. The most it got was under the last member for St. James South. But we said, so, are you coming? Estimates. You make a projection. If it goes over, then you deal with it.

Take the Transport Board, for example. Who could have imagined that fuel prices and service costs for buses will have increased so substantially in the last couple of years? You look at a Transport Board budget, that's where the money is really going. That's where the money's going. And we tried to stay away from this rush to buy new buses because there was a clamour in the Labour Party for buying new buses. The honourable member for St. George South is new. He has not been around politics too long, but I want him to make this in his brain - no pun intended - that there was this almost teenage-like genuflection, an obscure genuflection, by some people in the Labour Party. I like that one. Let's get that.

And when you come back, these brand new reconditioned buses, as some people call them, can't navigate the hills up in St. Andrew and can't get to Silas Hill and that kind of thing, because their bus is accustomed to running on flat road. But a fella gets something out of it. We said, as a policy, that since the Government was under financial constraint, the Transport Board had to put the people to work to keep the buses on the road, maintain them properly. And I am proud to say today that we have had more rolling stock on average over the last four years of the Transport Board than at any time under the Labour

Party, even though they bought new buses. But that's a fact. That is a fact.

So I asked myself, buying new buses doesn't mean you're going to have all the buses on the road if you go and buy the wrong bus. And it means foreign exchange. You're not saying that at some point you don't have to replace the fleet - you can't say that - because it is rolling stock and things like that. But that can't be a first stop. That's the last option. That cannot be the first option. That's not frugal. So I want the member for St. George South to understand and learn these things. Your member is an engineer, I think, by training. So I'm sure that your member will come around to appreciating the circumstances I'm talking about.

Now, the other point that has been paraded around here, Mr. Speaker, sir, that I want to speak very briefly on is this thing about stimulus, and I spoke at length on that in the presentation. Not going to go over it again. The Opposition cannot make up their mind what they want. They spent the last three years saying bring a stimulus package. Bring a stimulus package. Your capital expenditure is too low. Spend some more money on capital projects. It will get you quick jobs. It will put some money in the economy. It will do some activity. It will keep things going. All right. We said that we would try to get that worked on. We had to get projects that were shovel-ready or near shovel-ready. Now that we have done so and brought the capital works stimulus package, they say, oh, man, that is going to destroy the economy and run down the foreign reserves.

I know the member for St. Michael North East was not listening to him. I know he wasn't listening to what he was saying because he wasn't saying anything worth listening to, but he said it. And the writers pick up the cue because you can always tell what the member for St. Peter is going to say by what is written in the paper, in the columns the days before or a couple of days before. So when you write the paper today and you write about the stimulus, before, when the Labour Party was in office, he never used to write nothing about the economy. All of a sudden, Mr. Speaker, sir, he is an economist writing on matters of economy and all of that and lecturing this body about stimulus and foreign reserves. So I read the column today and I said, I know what the honourable member is feeling about this evening because they already written it. And through the form he came here and gave the same type of speech about the so-called stimulus package.

The fact of the matter is that we have heard them talking about building out infrastructure for future development of the country so that you build capacity. They call it building out, and we have to treat to this and treat to that for Christ Church. I remember a speech was done here today, Mr. Speaker, sir, and used the same terminology - treat us. The only thing missing was the

exclamation mark. They got that part right. You know, whenever a speech is prepared by a particular person, you can tell by the emphasis words. I remember going up yesterday. I left in a hurry. I know it was to go to the computer.

The point, Mr. Speaker, is this. We were here ad nauseam - build capacity, build capacity, build. Now we come here to build capacity with certain projects. These are not fly-by-night projects. A marina, a cruise pier, and I can get back to that - a water augmentation project with the main desalination programme, building capacity to push the country and economy forward futuristically, because the global downturn and trouble ain't going to continue forever. We can come out of that. And we have to prepare Barbados's capacity by restructuring Barbados's economy to put it on a footing that when the time comes we will go up with the upswing.

And you hear the attacks coming. Oh, who can get this work? The Bible says the Opposition are never interested in who can get work. They used to give work to whoever they wanted and we either heard it or didn't hear it. And if we heard it we either liked it or loved it. And that is why, even though the speech which was delivered by the honourable member for St. Michael East - a person I have a lot of time for - even though that speech is a speech that was delivered by Don Blackman many years ago in the ivy,

all he did was change the contemporary dates but a few dates. I heard that speech. I heard that speech. If I remember correctly, the member for St. James used to memorise those speeches. I could recite them almost as poems in the cafeteria at the Barbados Community College on talent day. On talent day. I used to recite those speeches. All of a sudden I've heard the speech many times already. It's a good speech. Except, Mr. Speaker, sir, that you have got to have a certain degree of intellectual genuineness with this speech. I'm not saying he's not a genuine person. I believe he genuinely believes in what he's saying even though it might not make sense.

I want to know who's getting - people that don't look like any of us in here - getting these contracts. But the honourable member was a member of the Barbados Labour Party administration. You don't worry about that. No, because I was getting the facts. I was getting the facts. Mr. Speaker, sir. Mr. Speaker, sir, you can fool who you can fool who don't know you. Mr. Speaker, sir, the honourable member was a member of the Barbados Labour Party. Mr. Speaker, sir, it is not a crime to speak to anybody. The honourable member was a member in here when the same companies were getting work under the Barbados Labour Party - in fact, more than they have done under the Democratic Labour Party. And he sat down in silence. You had the chance to speak. Sat down, ain't silent. I know. Sat down, ain't silent. Mr. Speaker, sir.

Mr. SPEAKER: Okay, all I remember. I think that's enough now. Please remember, if you have a difficulty, please rise on the point of order and let's deal with it. Thank you. Good friendly chat.

Hon. C. P. SINCKLER: True, he's my friend, but he sat down here and he allowed all of those contracts to be given to all of the same people. And I heard him out there blasting the Barbados Labour Party government management leadership or any of that. So don't come here and pretend. Don't come here and pretend. I remember very clearly the late member for St. John wrote an article when he was alive and writing in the Nation about when Caligula appointed a horse as his council. Remember that article then, Minister of Social Care. I was his advisor, according to them. I don't call it that. Menial work programmes were being done. Who was the advisor to the member for St. Michael South East and Social Care Minister - Caligula's horse, Mr. Speaker, sir.

And then coming here with this fancy thing about poverty of the mind and attacking the member for St. Michael West Central who was making a very genuine point. Say, go and knock - I hear a knock at the door. I opened the door, a fellow there with a weed whacker in a box to sell me. But I immediately think it is rental property. So I said, I just cut my lawn myself. I have a whacker and I have a mower. He said, I trying to get rid of this. I said, what are you trying to get rid of? He said, give me some boss on the block. I ain't wanting to be back. There's not the weed I want, you want. It's so. You know, Mr. Speaker. And I say, laugh to myself. I say to myself, I don't think I hear the advisor, the former advisor who was advising both - he was advising the Minister, whispering to the Minister, and whispering to the Prime Minister too. And then eventually they move out. The Minister and the advisor become the Minister.

Do not, seriously, do not belittle people in this way. If it is a programme, it is the National Environmental Enhancement Programme. It was to try to move people with all genuineness from welfare to work - by enhancing the environment and those people. We brought those people to Sherbourne, I think it was. We sat them down, we spoke to them about it, and the programme has a rate of success that, if my memory serves me correctly, only one person dropped out of the programme, and those persons no longer have to go up to the welfare department looking for assistance. And that is one of the reasons why the welfare thing has dropped a little bit. Don't do it, man. They got people from the Ivy working up in there, so don't do it.

Not just all members there - all members just went to Reservoir Lane and Grotto and tried to insinuate or cast aspersions on persons on the budget. I state categorically as an unfair contradiction that the policies of the last

government and the inattentiveness of the Barbados Labour Party administration to the issue of public housing in Barbados for the 14 years they were in government created a veritable underclass in relation to housing in this country. It is a fact. Face up to it. The phenomenon, the advent of the rental room for \$150 a week and \$200 a week became a feature of the BLP administration. Then we left office. You only see that kind of thing around here. And the reason why is because we were not providing the kind of supply for people to meet the demand - even sounding you needed the opposition to deal with the demand for housing.

All of us face it. You are going to face it when you start your weekly clinics. I hope you are doing them. People come in - I want a house, I want a house, I want a house, I want a house. You said it. Twenty-something thousand people on a list. Why should a government who boasts of leaving \$2.7 billion in foreign reserves - nine times working - you know, the members of the opposition, Mr. Speaker, sir, have paraded around this country and in this House and said that we should take some of the foreign exchange and give to Barbadians to go down and get a haircut and get a pedicure and get whoever else in town. Use the foreign reserves to do that. You have \$300 million more than you need. They had \$2.8 billion - they say \$2.8 billion or \$2.7 billion - and they never thought to use \$300 million of that to build some houses to put people in. But yet they created a veritable underclass of housing in this country where people - a generation was almost assigned to a status of being no man's in the country, knocking around every day, looking around, scoring through neighbourhoods, trying to find a rental, signed up on a house, and then getting landlords who understood the economics of what was going on - the bad economics of it - to then turn around and put people who were good legitimate renters out of their house to turn it into rooms so they could put other people in it and get more money.

So a house that was renting out for \$500 and \$600 - they were not earning a landlord \$1 000 or \$1 200 - for you to put the person who is paying good out, turn it into rooms and rent out \$200 a piece, and people use a communal bathroom facilities and all kinds of things not properly suited for that kind of accommodation. I know that was not your intention. I don't blame you, member. I know I said so. You heard me say this. I don't blame you, but I say it is your government that did it. So when you come to Parliament, he who comes to equity must come with clean hands. Don't come here to give the impression that we are getting in cahoots with these white people to build houses and these houses are so expensive because we have sought to lift the concept of the working-class house. I can speak eloquently on that level too. I can get there. I can speak about the transformation and transmogrification of Barbadian society so that those of African descent can be elevated to a new level of existence in the country. Can say

that in those words. But I know that action speaks louder than words. Actions speak louder than words.

The member for St. Michael East, to some extent, was exonerated because he did have a blast off a year on the housing policy of the government and the deprivation of the people of St. Michael East - according to him. So he exonerated himself to that extent. Credit must go to him. But what we found, Mr. Speaker, sir - and I said before - what we found in this situation I came into was an NHC that was broke. An NHC that was broke. Even its lands were being leaned on by the National Insurance. The first thing we had to do is to come in here to help pay off - get a supplementary, pay off their debts. We found a situation where they had a whole list of people they could not provide for. No houses were there. We had small contractors who could not come up with the money. We did not have the money. They did not have the money. So what do you do? Do you sit down here and throw your hands in the air? We may have got \$40 million to small contractors. I made the point. You think I should move on - all right, he is begging for mercy, so I got to move on to the other point.

Mr. Speaker, sir, I am saying that you cannot kill a government for trying. You are trying to work with Barbadians to provide the resources to provide the housing so that you can get them in every instance. You are going to have housing projects. People are going to go in with all good intent of paying the rent. I do not think that Barbadians - look, one thing about Barbadians and our culture, we like to pay our debts, right? We like to pay our debts. So I do not think people are just going to go into Country Park Towers knowing that they cannot pay anything and not pay. But NHC has a responsibility. They say that NHC is broke, it is insolvent. We need to do this, we need to do that. NHC has a responsibility to write people if they are not paying the rent, and tell them, buddy, you need to look at this situation a little closer. You need to do that. If you do not do that, then what can you do?

If the Barbados Labour Party were building enough houses, those people that the member for St. Michael East moved from up in St. Michael East in the Ivy to Grazzettes Village out behind Marshall and up behind there in the stables - they would not be out there. You agree? They would not be out there, Mr. Speaker. But they did not look at them enough. But we rectified that situation down in there. We put houses down in there too. And we are going to rectify my daily points. So I move on.

The other point I want to speak to, I think importantly as well, is this issue of the Four Seasons Hotel project - the Four Seasons project. You all remember the member for St. Michael North, who Mr. Speaker, sir, is trotting around here like riding a high horse still and trying to give the impression he had this big thing to drop on the

Parliament and on me. Nothing to drop on me. Mr. Speaker, sir, I can say to the public of Barbados, I came in as Minister of Finance in 2010 and I came and found a project which I frankly agreed with. I was a member of the Cabinet and I agree that the Government of Barbados then, in the Ministry of Finance under the Cabinet chaired by the late Honourable member for St. John, was correct - and I still feel we are correct - in intervening in that potentially calamitous situation that would have caused irreparable damage to our reputation as a destination for high-level investments. We agreed to provide a guarantee of \$120 000 000. We knew going in what the risks were, and we accepted them.

In fact, when I piloted the legislation here as the new Minister of Finance, and I had to be reading and reading, trying to understand the particulars of it - because it is not an uncomplicated situation, it is a very complicated project - the Honourable member for St. Michael North East knows that very well because the Honourable member is the legal advisor for the Four Seasons, and we have had occasion to consult on that project. Our member offered the best legal advice he could in any situation. Both our lawyers and the lawyers sat down and looked at the situation. We tried to counter, but at the end of the day, the Four Seasons project was a private project. It is not a government project. We provided a guarantee to try to clear the way for the start of the project. I am not responsible for negotiating what happens with the project. That is not my job. My job is to protect the interests of the taxpayers of Barbados. As Minister of Finance, I am satisfied that is what I have done and what I am doing.

The \$60 million that were had by the Four Seasons people did not go to pay any villa owners, as the Honourable member for St. Michael North tried to create the impression - they did not go to finance any fat cats. That money went to pay Barbadians, little artisans, companies in this country who were owed money. These are Barbadians who were suffering, whose staff had to be laid off because they could not continue, because they could not get the cash flow. There are still a few of them left. All of them have not been paid. Still another \$20 million. Almost like a stimulus package, really. But what were we to do in those circumstances? Leave them out there to suffer and for the staff to go home and their companies to collapse? We took a decision as a government that we would do it.

And the complicated nature of how the thing is put together with the different bondholders and so forth and so on - anybody associated with the project - those bonds were not intended to be extended as long as they have been. That is not written in the law. It was not written in what came to Parliament either. What came to Parliament showed clearly in the agreements how those things were to be done. In fact, those bondholders were very good to the Government

of Barbados, good to the project people, and by extension to government down the road, because they kept extending the thing on the understanding that the financing will be put together for the project. There will be a buyout of those bonds eventually, and government will come out with its guarantee and you will get on with the thing. And we have had trouble with it. I do not deny that the people who are responsible for it have had trouble. They have had trouble because the environment has been tough globally. The environment has been tough and you have situations where you have the villa owners there. You have to satisfy them - a whole lot of them. Two agree? Yes, let us go. Hey, three might say, oh, the insurer - put that they got to come back.

Then the IDB comes on board. Nobody called the IDB. Nobody told them they were involved. They saw the project on the Internet. They asked for details on the project. They said they liked it. They said they would participate. That thing had to go through a whole rigorous process to the extent where we now have a government to get involved. But yes, we have had people coming here. The NIS is from there. I tell you, all of that took place. The IDB finally agreed. The NIS thing - we had to go through a whole lot of things with the NIS, and there are a lot of people who, quite disingenuously I think, tried to derail that process and create the impression that we were raiding the NIS, when in fact the way in which the thing was eventually designed by the lawyers and the financial experts insulated the NIS money from anything. So the NIS bulk of that money has not even gone anywhere near Four Seasons because there are certain things in there that had to be done to trigger it. Same thing with the IDB. But there is a certain equity - as we know with these types of projects, you have to have debt and you have to have equity, and it has to be a nice balance between the two. If not an even balance, at least it has to be a ratio that makes sense, and that is what is currently ongoing.

In relation to that, I can say to this House tonight and to the country of Barbados, we are extremely close for the takeout of that project - the entire project. I cannot call the names of the players and I am not going to do that.

But I can say that formal full proposals have been put to the developers and to the government of Barbados for that and the lawyers are working on putting the details together. In fact, I believe just before the campaign started Emma Rhea Bradshaw from the Nation came to one of my functions down at the campaign house and interviewed me and I said then that there was news that would come some weeks later in relation to Four Seasons. I think it's something that the public of Barbados would like to hear. I am confident to say, yeah, it was reported, yes. So I was hiding a thing for people. There's a time that you have to say these things. The negotiations are at a delicate stage. The government of Barbados has come in to facilitate that particular sale. The lawyers are working on it, the experts

are on it. They are going to deal with this matter and we, the taxpayers and the government of Barbados will do what the Member for St. Michael North has always said he wanted. That entire project is going to go back into private sector hands. There will be no need for the participation of NIS, no need for the participation even of IDB. They can stay if they want but we've already advised them that we are moving to the stage where they can make the decision where they want to stay or come out. They don't need to stay. They don't need to stay. What it will do for us - that it finishes - so we will be clear. Guarantee, notes, bonds, everything gone from there and the biggest beneficiary will be the Barbadian economy and the National Insurance because workers are going to go down there and work and they will make contributions. So yes, fellow de Brandon and Brown, speak and get some work and I want all down there. We might go over to Bushwall yard. Yeah, but no, but seriously though, Mr. Speaker, sir, because that is what we're working on and the only reason why I have not called the people to hold a press conference to say that is because it is not ripe yet. Right? It is not ripe yet, but it is there. It is close. Central Bank is engaged. They're looking at the exchange control permissions because this large amount of US money is going to be moving around. So they have been engaged. Legal people are also participating and the government of Barbados will finally be able to step back from this project and allow. But the final good thing that I like about it, Mr. Speaker, is that it's going to have a major local participant, potential participant in that project. That is what I like about it because it is going to match international with local and regional and give us something good that we can - and finally we will get something done.

But I know I've been contingent on what I've been advised and told. I've made statements before and this process takes - maybe less than me. I can do it tomorrow, but it don't work that way. The law doesn't work that way. The due diligence and the things you got to look at and the negotiation of flying this body here, flying that body there, it takes time. And we've had more than 13 different types of offers, offers and they're still coming in. But we've said, look, there are two or three there that are on the table that are almost definite. I advise the Cabinet and the Prime Minister on this matter and I know that when this happens - because the Honourable Member for St. Michael South Central can tell you - that we are just waiting patiently for the paperwork to be signed so we can move on to the Ammon because that is where we are heading in the drawer speech. That is where we are going next. Having facilitated this resolution of Four Seasons, we are going on to the Ammon next. And again, I don't know if the league of the Member for - [Inaudible.] - will be there, but we are going to go on to that and get that sorted out too. That is what government is supposed to do. We're not running a hotel. We don't want one. We got rid of Gems after spending \$200 and something million dollars on it. And I can report to the House of Assembly tonight that I privatised it. I can

say tonight that this year, last year is the first year it has made profit. Gems have made profit.

Mr. Speaker, sir. Drinks on me tonight. [Laughter.] I'll pay for drinks downstairs. Mr. Speaker, sir. Gems has made a profit for the first time and will give a return to its shareholder - investor return - for the first time since the thing was concocted by the Labour Party. So I don't have to give. Privatisation can be profitable once it is done properly. I say that we have to deal with these situations.

I went to get a little pudding sauce. Did. They shouldn't be eating it. It's too salty. Too fat. But good though. And I went for a little bit. Not out by the arm of St. Michael North. She hasn't had any pudding herself there since the election. But I went out in the constituency of St. Michael East and I went and had - no, that would be South East - Lower Bay, Lower Bay. I went out there and I met a fellow who works in the port. Mr. Speaker, sir. I met a fellow who works in the port and while we were having a beer the guy said, father, you all do the Sardo report. I said, Sardo report? How you mean? He said, man, you know that I work Wednesday. I have a good part of Thursday. I said, but why? He said, but I work in the carrier section and I had ships down there, fun crew ships and we can't work right now in there. That's what the guy said to me. Are you to tell me that the right Honourable Member for St. Peter is going to stand up in here and say that somebody has told him that it might not make sense or it doesn't make sense to build a cruise pier separate from cargo for cruise? I couldn't believe my ears. I could not believe my ears. That has been a bugbear for us for many years, Mr. Speaker. Because when those cruise ships are in it basically discombobulates the function of the cargo section. It's frustrating. You go there to work. You can't do nothing. No. Come back tomorrow. We see if - only Thursday they tell you the same thing. You started to work at 20 minutes past four and leaving time is 4:00, 5:00, 4:35 o'clock. And ships have to pass Barbados and go down to Trinidad and St. Vincent and all that. And they come back and they're complaining about it. It is carrying up arbitrage costs. It's carrying up port costs. It is making us inefficient and it's affecting the cost of living eventually. And I am saying that it cannot be the perfect excuse for us not to do it. We have to do it and we have resolved that we are going to do it this year. We're going to start that project. We're going to build out a new facility. We are going to do it because we need to attract those ships. They are getting very wary and tired of coming to Barbados and -

having to get people on a transport board bus and drive them all around the board. The ships are saying, the people are cruise. People are saying, enough of this. We like Barbados but we ain't going to come down there, get them facilities sorted out. So we have two good reasons to do it and we are going to do it starting this year. And remember, for St. Michael, the new Minister of

International Transport is put into it and we are going to get it. Yes, we're going to get it.

So I think, Mr. Speaker, I've said more than enough. I wish that the honourable member for St. James Central had ranked a couple of budgets of mine - budget speeches of mine - to read out things which we said we were going to do, put in place, but have not come to the Parliament yet. One of the things you raised, Mr. Speaker, is the Cultural Industries Bill. Do you know, Mr. Speaker, sir, that the Cultural Industries Bill was first mooted by the Labour Party government in 2002? Two years later, in 2004, they put together a draft which we all conceived was a really bad piece of legislative - deficient legislative drafting. It wasn't ready. The CPC indicated that the 2006 cabinet paper on which it was based, to be brought to the House, required adjustments because they were not satisfied with the quality of the bill.

We came into office, took that bill, realised how badly drafted it was, that it wasn't ready to be brought to the House. But even more startlingly, we realised that the Labour Party was planning to bring that bill here without even consulting sector players, and we said no. But that can't happen. If you can try to create a new industry, if you can try to do something as radical as this, you got to get the input of the players. Because the thing was getting ready to come in. Cabinet paper was ready, everything. Job is ready, cabinet is ready to come. And we had the consultations in 2011. The feedback came in, we put it on the Internet, we advertised on GIS, CBC, even on the Voice of Barbados and discussed it at length. At length. They had a party side representative who clearly didn't know anything other than that the bill was called the Cultural Industry Bill.

We did everything and we were satisfied that it is in the state - CPC is satisfied - it is in the state that it can be brought. Cabinet has approved for it to be brought. We could have brought it just before the election but we said no. We thought that we would bring it here when the fully reconstituted House was empanelled to have it discussed. And as I said in my presentation, it will be discussed. We said that we were going to create a fund, \$10 million every year for five years. I said that in 2011. It was a neatly written piece. Mr. Speaker, sir, you know, budgets are written and put together by many different people but it was pretty well originated and you gave behind marriage for it. As you said, what we decided to do is rather than go the next year and do that, that we would work that cultural industry fund into the bill itself, into the bill and give it a companion legal life. We will give it a companion legal life with the existing legislation of the bill to make it one complete piece of work in relation to the cultural industry. Mr. Speaker, that is how you do policy making.

Not like doing an offshore drilling programme with pieces of legislation, hotchpotch put together, that we had

to come back in the House of Assembly and change because the person who led the process was in such an insidious hurry to create the impression that some new industry of offshore drilling in the flying fish well and the dolphin hide well and all of that - giving impressions, optics - and when the people who are in the industry saw the legislation they said, look, we could accept that. But in all good faith and honesty as industry players, if we were to do that we would be taking advantage of you, the Government of Barbados. This is the type of legislation and the standards you need to have in that legislation. And we had to go back to the drawing board. So the people were actually magnanimous. They were being very genuine. These big oil companies said, well, we could take it, well, we would try it, but we ain't going to do it because other people in the industry would know and would say how are we going to take advantage of little Barbados? That legislation wasn't ready. So we went back and we changed the legislation and the staff at Energy worked on it and worked on it. We brought it here. It is now ready. We have one company that we are going to sign off with, BHP Billiton, and the drilling is going to start. My understanding is that BP and others have been inquiring again. They're interested to come on board because the legislation now looks like something they can work with. That's what we did. That is what we did. So this is how you do public policy making, not rushing it through.

So there wasn't any delay. But do you know, Mr. Speaker, sir - and this is for the member for St. James Central - are you aware that a cultural industry fund was proposed by the right honourable member for St. Peter in his 2003 budget? You know that the honourable member for St. Peter recommended a cultural industry development fund in his 2003 budget, and not one thing was done to give any life to it.

Talk about a special vehicle. When the honourable member for St. James Central was speaking - and I know that he was at pains to sound very statesman-like because he was advertising himself for political leadership and he was on his very best behaviour - I wouldn't bet a dime that is going to keep up for very much longer. I know the honourable member well, but the honourable member, I must say I was impressed. I was really impressed. It was impressive. Not impressive the way I was impressed with the honourable member for the City. I was very impressed with him because somebody spoke to him. Perhaps it was the last representative for the day of a party for the City. Yeah, you know, that's my girl. No, but obviously she must have whispered to him that your first speech is to be as non-controversial and as broad as possible, because there are some first-time members of the House who came here for action and got down in it. Got down in it. So his speech was, I think, in keeping with the traditions and conventions of this honourable chamber. But I was really impressed with the honourable member for St. James

Central. I now see how he got five votes. He always tells me he's not five, he's six. But I know how he got five votes. He sounded like a leader, or something like a leader. And he was advertising himself. Yeah, the substance, we'll work on that a little bit. But he was advertising himself and he sounded very convincing.

And what made me think - listen, what made me confirm, or confirm for me, that it was a political speech, Mr. Speaker, sir, not to connect with the Estimates but to speak to the membership of the Labour Party - was when the honourable member for St. Michael North East's face dropped like a jacket potato. Our member was smiling at the beginning of the speech, but by the middle, that smile was gone. Our member understood what was going on. And I must say it was a very good presentation. I didn't agree with everything that he said because I thought a lot of it was contradictory in nature.

But they tried to criticise the Valerie housing project, saying that it started off at \$18 million and ended up - not you, I said this - say that it ended up costing \$28 million or \$26 million. Let it be said for the record, Mr. Speaker, sir, that the \$18 million which somebody whispered to them was just a preliminary estimate, and that in the course of that project, we, the Government, made changes. We said we wanted another floor. The town planner said he wanted, if you can do that, an elevator, I think, or some kind of lift. He also said he had to put in a sewage treatment plant, and the sewage treatment plant average is about a million dollars more than that, I am told. We also - and this is the point - we also instructed, Mr. Speaker, sir, that a section on facilities for persons with disabilities should be put in, because it is the policy of this Government that when we are doing these housing projects, provision should be made for persons with disabilities so they could go up these stairs or go up the thing, so they should have lifts, and that was a separate thing for them. So all of that increased the cost. The scope increased and the cost increased.

The same thing is going to happen for Grotto. The same thing is going to happen for Exmouth. And some people might - no, but don't give the impression that we somehow, surreptitiously, in the dead of the night, sneak in a new price and call it a cost overrun. It was not a cost overrun. What was given to us was a preliminary estimate. We say to the contractors, we want this additional work done. They went back, they costed it. They say, this is what the new cost is. We went back to Cabinet, spoke to the Cabinet, and the Cabinet says, yes, do it. This is not the Labour Party administration you're talking about. You know about them. You're a Minister of Education. You know how these things go. So that is it. If you have a project and you want to add this and you want to add that and you want to do this, you want to do that, you can't expect the contractor to carry that cost. You got to carry it yourself. But what is it that you're doing? We did it for

good reason. We did it to increase the room. We did it to accommodate the storage. We did it to accommodate the persons with disabilities. And we also had to go in, in that project, and the town planner asked for other geotechnical work to be done because it is in that area near the Bridgetown area where we know that there's some instability, and the town planner, with a high-rise going up and the kind of weight you're going to be putting up there, has to be satisfied that it can go there, and therefore we have to go in and do additional work, just as we had to do at the Grotto. The Grotto is less affected, but the Grotto is near to the same Bridgetown area. We got to do the same thing at the Grotto because the town planner has to be satisfied that something doesn't happen afterwards and so forth.

I think through the politics of explanation, I think I have done my best to represent the case of the thing. Nobody wants to have an economy that is not doing well, that is not growing at three or four per cent. Nobody wants to have a situation where unemployment is above 10 per cent. For sure. Nobody wants to have a situation where Government would have cash flow difficulties in paying some of its bills. We don't want that situation to occur. We are working hard to change it. We believe that we are putting the things in place that will transform that kind of condition. We know that other serious decisions have to be taken. We say we are going to have a public discourse on it. We're going to come to Parliament and debate on the merits of what we do and how we do it and what we don't do, and we invite the Opposition to participate in that. But you can't give people the impression that overnight all major trading partners who are better resourced, have more technical expertise at their disposal, are struggling to get out of their issues. The biggest debate in the United States now is about entitlement programmes, deficit, debt cutting, and they're fighting about that every week. We have some of the similar issues. We're talking about it. You can't expect a wave of a magic wand and it's going to happen overnight. It's not going to happen overnight. This is a long-haul issue. The restructuring of the Barbados economy is important. We are committed to doing so. You've heard from these members on this side where that is going to happen and we remain committed to that task, having been given the responsibility yet again by the public of Barbados to lead the country through these very difficult and perilous times.

With those few words, Mr. Speaker, sir, I beg to move that this Appropriation Bill 2013 be read a second time.

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

SUSPENSION

Hon. J. D. E. BOYCE: Mr. Speaker, I beg to move that the sitting be suspended for half an hour until ten minutes to six this evening.

The question that the House be suspended until 5.50 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 the House is resumed. When the suspension was taken, we were on Order Number One and we shall continue.

Hon. J. D. E. BOYCE: Mr. Speaker, Sir, I move that your Honour 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 of Supply, Mr. J. D. PAUL, Chairman of Committees, in the Chair.

COMMITTEE OF SUPPLY

Mr. CHAIRMAN: The House is now in Committee. Head 79.

HEAD 79 - MINISTRY OF INDUSTRY, INTERNATIONAL BUSINESS, COMMERCE AND SMALL BUSINESS DEVELOPMENT

Mr. CLERK: Ministry of Industry, International Business, Commerce and Small Business Development in the amount of \$36 647 979.

Mr. CHAIRMAN: Member for St. James South.

Hon. D. O'N. INNIS: Yes. Thank you, Mr. Chairman. I rise in this Chamber in respect of Head 79, Ministry of Industry, International Business, Commerce and Small Business Development. And as you would have heard in part, Mr. Chairman, in the Appropriations Bill discussion initially, that this sector is indeed very key to Barbados's ability to further diversify the economy, create jobs, earn foreign exchange and of course save on foreign exchange going forward. I don't need to rehash the macroeconomic environment within which we exist today. I think there has been quite healthy debate on that over the last couple of days and now we have to forge ahead as we specifically look at matters that exist within the various heads that have been called, starting with this particular Head 79.

Mr. Chairman, let me just say that this reconfigured Ministry, which is really now the pulling together of key government departments that interface with the private sector and also help to drive this economy forward, can basically be broken down into three broad heads or subsets: international business, which also includes of course corporate affairs and intellectual property matters; industry, small business development and the attendant issues and departments therein; and of course commerce and trade - what we call commerce and trade - and relating agencies and matters contained therein.

I would wish to therefore structure my comments around those three broad heads, generally speaking, to make first on the issue of international business and financial services, corporate affairs and intellectual property matters here in Barbados. Suffice to say, Mr. Chairman and Members of the Chamber, that this Ministry of Industry, International Business, Commerce and Small Business Development, certainly on the international business side, recognises the extreme importance of the international business financial services sector to this economy. I know that over the years there has been a lot of talk about its importance to the economy. I know that I've heard quite clearly from opposition benches in particular that there has been a decline in the sector and there has been a lot of outcrying in many quarters.

I think I'd like to start at that point, Mr. Chairman, by saying that one of the first orders of business for us is to bring clarity as to the definition of international business within the Barbadian context, and secondly to put structures in place to measure the contribution of the international business financial services sector to this economy. And there have been outstanding papers written by scholars - or what we'll call scholars in the context - over the years in respect of this particular sector. I don't need to dwell into them. But suffice to say we're basically talking about those entities that are structured under the various pieces of legislation known as the international business financial services suite of legislation, as well as generally speaking those entities domiciled in Barbados that are for a large measure in part engaged in the export of services or goods from Barbados, or help to earn foreign exchange for Barbados, and generally speaking are engaged in global trade in goods or services from the domicile of Barbados. And that is why I've always contended that it's a bit misleading just to look at the number of registered entities as the main indicator or the sole indicator of growth in the sector.

Now, our discussion here this evening, Mr. Chairman, certainly ought to help us to clearly indicate what respective ministries are proposing to do for this upcoming financial year, 2013-2014, as mandated therein. In this particular international business sector, a couple of the areas that we're going to be focusing on quite

strategically will be the economic factors, which of course is the establishment or the further establishment of the international business industry as a key driver of sustainable economic growth and development in Barbados. We hear all about tourism as the main engine of growth in this society. Surely we value the tourism sector, but I think that once a careful analysis is done, one ought to have a great appreciation that the international business sector is indeed as important to this economy as others are.

We also, on the broad scope of things in terms of our strategic focus for this upcoming financial year, intend to focus on the expansion and diversification of the Barbados market in order to attract additional clients that are consistent with our economic goals. So we certainly have to expand our market reach therein and I'll speak a little bit more to this as we venture forward. Of course, we have to be very much proactive in our continuous development and delivery of solutions to satisfy the needs of our marketplace, hence therefore forcibly addressing the concerns of our customers or clients who come before the various departments that are involved in providing service to the international business sector. And of course, the issue of strengthening the regulatory aspect of our work to ensure that there is indeed a high level of transparency and clarity brought to the process for those who have to engage with us.

And one of the areas, Mr. Chairman, that of course is very important to us in this sector is our ability to build capacity in terms of human resources in the public sector to address the international business community and the concerns therein. I'm satisfied that this industry has reached a level of maturity and is sufficiently important to this economy that the state must invest in strengthening human capacity within that particular department to ensure that we meet the needs of that particular industry. Henceforth, as we march forward, certainly we cannot really say that we're going to drive an international business sector forward and then within the Ministry of International Business not have an adequate number of attorneys, both in terms of quantity and quality, as well as those involved in providing the said financial services or understanding what they're all about. And certainly one of the areas that we will focus on in the upcoming financial year is to build capacity within that resource. Of course, we will continue to depend on consultants in our main markets as well as domestically to help advise us on the things we should do and how we should do them. But that cannot negate the importance of aptly qualified and well-resourced international business unit staff to address these issues as well.

So therefore, Mr. Chairman, if I can go to a few specific issues that lie within those broad areas of strategic focus - dimension one will be to diversify the market. And let me say that we have certainly within Barbados in recent

years made major strides in terms of product development. At the end of the day, the international business sector is driven by and large by the products that we bring to market. It's just like any other business. If you become stagnant in what you're offering and how you're doing it, you will lose business. And the international business sector - not just the unit within the Ministry, but the international business sector as a whole - certainly has to operate with that frame of mind whereby it has to be continuously analysing who its competitors are, knowing who the competitors are, understanding what the competitors are offering, understanding what our potential customers are demanding, and retooling and reshaping its products or services to ensure that we can meet that demand and pretty much stay ahead of the game.

And I am, like many others, concerned that over time there are many other jurisdictions that have certainly somewhat almost caught Barbados. Barbados is no longer the principal domicile of choice within the Caribbean as perhaps it was many years ago. And it's not entirely because of our own making in Barbados. It truly matters that other jurisdictions recognised the potential of the international business sector to their own economy and therefore did what they had to do to attract enterprises to their shores and hence compete aggressively. I am satisfied that Barbados has the intellectual skills, we have the products, and we can certainly have the political will and the political drive to once again ensure that Barbados is the domicile of choice for those discerning investors who are looking for a marketplace or place of convenience to locate their international business and hence expand their global reach.

So in terms of product development - because I know there has been some myth therein, we keep saying it all the time - I know the Prime Minister spoke to it today a bit. The Attorney General, the Member for St. Peter, also spoke about it yesterday in terms of things that we've been able to do in recent times in the Democratic Labour Party administration. And I say that we have certainly in this financial year - I believe we have signed a revised double taxation agreement with the UK. New DTAs are in place with Bahrain, Qatar and San Marino. Four treaties have been initialled with Singapore, the Slovak Republic, Malaysia and the UAE. And of course tax exchange information agreements have been entered into with Denmark and also been initialled with South Africa, as well as some of the arrangements made with the Faroe Islands, Denmark and France and others.

And Mr. Chairman, let me just say that double taxation agreements, tax exchange information agreements, bilateral investment treaties - generally speaking, tax and treaty products - are basically at the core of what drives Barbados's international business sector. We are pretty much a tax treaty jurisdiction and our relationships with

third-party states across the board will determine whether one uses a vehicle available in Barbados to drive their global expansion, and therefore it is instructive. Why is it these? They are not the countries that you read about every day in our newspapers as Barbados doing business with. Why are these not countries whose citizens you may hear about in Barbados? The truth of the matter is that we've now become a global village and therefore you would find that someone who lives in Canada in Alberta may wish to invest in the Slovak Republic but recognise that by using the double taxation agreement between Canada and Barbados, that Canadian investor is able to do active business in the Slovak Republic through a Barbados international business company, earn income from exempt surplus which is now taxable back in Canada - by extension helping to really boost his or her bottom line in Canada and expanding his or her global reach. So why is it that a lot of the countries we talk about through these tax treaty arrangements are not ones that roll off the tongues of the average Barbadian? The truth of the matter is that they are all partners in our global expansion and we need to expand our reach through these various tax agreements.

So we have certainly in the last two or three years recognised the importance of forging ahead with these various treaties. And we've done, as I mentioned here just now, what has really been able to build the numbers up that Barbados has across the board. But as we march forward into this coming financial year and you ask what are we going to do to expand this reach - recognise, for example, that the Latin American and South American market is ripe, that all economic indicators are there, that it is poised for continuous growth, may not have been severely affected by the global recession as others, and certainly has a burgeoning entrepreneurial class that provides a market for Barbados to get more business into the international arena. And there are many entities in Latin America, generally speaking, that certainly can benefit tremendously by using a Barbados vehicle to expand their global reach. And when you look, for example, at Brazil, that's one of the largest economies now in the world and we will certainly with a greater level of urgency engage our Brazilian counterparts to enter into some kind of treaty arrangement with them as well. We've done it with Mexico, we have it with Cuba, Venezuela and other countries therein. Colombia is also another main area.

Now it means that we certainly within the Barbadian context have to retool ourselves to ensure that we go after these markets. We've created foundational legislation - of course these may be civil law jurisdictions. We have, thanks to the Attorney General and my predecessor in this Ministry, the former Member for St. James Central, who is sorely missed in the Chamber today, certainly also brought the private trust legislation to go after that market in Latin America to meet the demands of Barbados. So as we sit and we reflect on where the opportunities lie, we have to

realise it's not only in our traditional markets of the US and Canada and UK - and we're not dismissing them; we certainly will also work closely in those markets. But we recognise that there are emerging markets in Latin America and elsewhere that we have to pursue, and certainly also look across the other side of the world into Africa, which is a place that we don't often talk much about in this Chamber, but which offers tremendous potential. And when you look, for example, at the fact that Barbados has treaty arrangements with China, which is now the major investor around the world, we recognise that we have therefore no choice but to enter into similar arrangements with other jurisdictions from which Chinese investment can flow through Barbados into these other jurisdictions.

What does this mean for Barbados? For those who have a sense of familiarity with the industry it is easy to speak on these things, but what does it translate to for the average Barbadian? It certainly means better-paying jobs. And let's face it, the international business sector is certainly the employer of choice for higher-paying individuals in Barbados - those not only in the professions of law and accounting and banking, but those who also provide secretarial and other corporate-related services to them.

So any expansion in our international treaty network certainly affords Barbadians the opportunity to become not just employees, high paid employees, but also a new class of entrepreneurs who can provide services to high net worth individuals to cross border trading entities and certainly those actively engaged in international basis. It means, of course, that our various professions in this country can attract additional fees. And I believe firmly as we march forward that they too have to step up to the plate and recognize that they too must function at international level and certain to attract international mean. I don't see anything wrong with international law firms being based in Barbados example or Barbadians partnering with international law firms. It helps certainly with our market reach and certainly helps on their end as well.

It also means, of course, increased foreign exchange and earning capacity for the state. Last financial year, I believe the international business sector certainly if measured through corporation tax contribution, would have provided about \$160 000 000 to the Inland Revenue Department School Corporation tax. And I want very early on, I repeat this before the opposition, anybody gets up and challenges this information talk will decline in the sector. Many investors these days opt to use their regular Barbados company. I know the shadow minister of International Business, Energy and women's affairs will comment on this when he gets up, but many investors these days will use a regular Barbados company which is not registered or listed as an entity on the national business financial services suite of legislation. But they would not be caught

up as a registered entity there. But certainly because they benefit from the foreign exchange tax credit, et cetera, they certainly can be measured as a contributor to international business sector. So oftentimes you can't really pick up the contribution. That's why I say at the bare minimum, the international business sector must be contributing at least \$200 million to the Barbados economy on an annual basis. And this ministry was certainly as one of the first orders of business work senselessly towards putting a mechanism in place to actively measure the contribution of this sector economy.

We also have, of course, in terms of how do Barbadians benefit? How does Barbados benefit? Many of the expensive villas mansion sold around Barbados will have their original contacts and giants in the international business sector. Those expats who come here for board meetings, who come here as shareholders of large multinational corporations, invariably fall in love with Barbados and may opt to invest in real estate here. We also have the opportunity, of course, for the transfer of knowledge, transfer of technology through these various international entities that exist here in relations domestic companies. There's also the opportunity for Barbadian goods and services to find their way into international arena via the conduct, sorry, and the relations with international business sector. So one of the goals of this ministry in this financial year will certainly be to bridge that gap between international business and domestic business whereby we can ensure that the synergies that exist between both of them translate into increased jobs, more foreign exchange earnings and savings of foreign exchange for this economy.

So I'm satisfied, Mr. Chairman, that we have certainly a wonderful opportunity to measure that. There is a group called the joint policy working group of the Ministry of International Business Industry Commerce center that has been very active and I want to thank those members who comprise of individuals who work in the private international business sector as well as public officers, Chief Paramedic Council's office, I believe international business Covid affairs and many others who have been working tirelessly to advise the minister and the ministry on changes and we look forward to that work being enhanced.

Of course, our work in the international Business ministry cannot meet with great success if there's not great cooperation of the state agencies, including the phrase Intellectual property, the Financial Services Commission and the Barbados Investment Development Corporation, Invest Barbados Stock Exchange, Central Bank, Inland Revenue and even the Economic Partnership Agreement unit located within the Ministry of Foreign Affairs and Foreign Trade and of course in the private sector of BIBA. The Barbados International Business Association and this

ministry will continue to forge deeper and stronger relationships to all of these state agencies and private entities to ensure that we can really drive this international business sector forward.

One of the objectives of this ministry, which of course can't be quantified in the document before us, relates to the fact that we have to strive to get international business on the minds and tongues of all Barbadians all the years, of course, similar to how tourism met with great success in it, where we all say tourism is our business. Truth of the matter is that we have to get this stage and not borrow intelligent tourism, but get this stage where the average Barbadian recognizes the importance of the international business and financial services sector to the economy and certainly gives it that due respect. But it has to start, of course, as I mentioned, with the research that we have to do there.

So we continue, Mr. Chairman, to strive ahead on creating new products, as I mentioned, some that have been done in the last financial year. We've also, of course, as I said in 2011, would have bought the International Trust and corporate service provider bill to four. And we are going to be working on the enhanced regulations that go over that particular piece of legislation to ensure that, of course, there's the best level of service provider available to meet the needs of the sector. Of course, one of the issues that would have confronted the sector over time was that foreign exchange earning credit and that, of course, we have been able, as a Democrat party government, to expand it to include qualifying business activities in exploration, extraction and mining. And I'm ever Christ Church, I'm not talking about dentistry here. This is oil and gas, where we talk about extraction of mining, licensing, of course, of licensing of intellectual property as well, and shipping services.

Another issue that we will confront this year and bring some resolution to is the concerns that relate to the licensing process and concerns that have been raised in respect of delays therein. I don't wish to be unfair to my officers, but we will, over the next couple of weeks, sit down and understand where the block, where the hurdles exist and address them as well. And let me say boldly that we will consider in this ministry, this financial year, the introduction of a multi year license to address one of the concerns raised by the national business sector as well.

Within that department, Mr. Chairman, we also have the corporate affairs and Intellectual Property Office, which of course, as you all know, is not only international business, but to domestic business. And I'm satisfied that in recent times we made some strides in that department. Two weeks ago, they were relocated to the Beerbad Towers in Warrington. So they have, I believe, far more comfortable working environment. Now, there are some

logistical issues that are also being addressed. But as I've said elsewhere, one of the hallmarks of our success in going forward, the corporate Affairs Intellectual Property Office, will be to expand its use of ICT to meet the demand of its customers. So therefore, we look forward to the day when much more of the information available from that registry and much more of the work of that registry can be done electronically. I know we have made some strides, we've come a long way. But there will be no rest on our laurels as we march forward to ensure that the corporate affairs and intellectual property office becomes fully electronic in addressing the needs of those who come before it and who use its services. And we do this in a manner that will not prove to be a financial burden to the attorneys or accountants or others who may use all the public, who will use the services of corporate affairs Intellectual Property Office.

As well within that unit of department, of course, is intellectual property unit. And there is no underscoring importance of intellectual property in our global work today. Not just because of Barbados' commitment onto the World Intellectual Property Office agreement, but certainly because we recognize that intellectual property actually now is becoming very much or has become a main tool or main part of economies. It is indeed a business opportunity that Barbadians cannot miss out on. On one hand, on domestic aim, it means that we have to ensure that our innovators, our entrepreneurs or creative thinkers are able to register the intellectual property. We have the patent office, we do copyright matters there and whatnot, and we have to ensure that such that registry or that department is adequately staffed, a resource to meet that demand, not just in the minutes, but also for the international client who wish to use Barbados in that particular area.

Another aspect of this ministry, as I mentioned earlier, Mr. Chairman, I certainly will come back in later and speak to some other areas, is in relation to commerce and trade. And the area that wants to hear this term, people automatically think today relates to the cost of living. Let me say that in that particular department, researching this financial year as part of the resources available to us would conclude a national policy framework to address the cost of living in Barbados. And this is a matter that has been on the tongues of any politician, those who won, those who lost. It's on the tongues of Barbados and these are matters that we must confront. My ministry has certainly done quite a bit of research on this issue. Only last week I said there's another component to this debate about high cost of living, which is the cost of living high. And that is an issue that we have to put on the table as well here. But we certainly this year we roll out a national policy framework, the implementation of a plan therein. Our objectives, of course, in this department is the ministry will be to work suitably with other stakeholders to contain and reduce the cost of food and utility bills where possible, relation to issues of

housing costs and production costs, the main ingredients of cost of living in Barbados.

Therein, of course, we also have the Fair Trading Commission in my ministry, which certainly I would come back on later on and speak a little bit more about. But certainly that commission will have to be enhanced to meet the demands not only in telecoms and electricity uses and charges around Barbados, but in several areas that relate to freight trading, competition and whatnot. These are not esoteric issues. These are serious issues that call for a strong, rigorous framework that is augmented by decisive research and of course the right human capital to drive the process forward. At the end of the day, the work of this ministry will

be very instructive in how we diversify this economy, how we create jobs and earn foreign exchange going forward as well. The Office of Public Council, the Department of Corporate Affairs, of course, the office of the supervisor of insolvency also have to play an integral role as we address the issues related to business development in Barbados. The Barbados Investment Development Corporation is another entity that we have to spend some time debating on in this chamber, particularly in respect of its work going forward. But there will be some restructuring of the Barbados Investment Development Corporation to meet the business development needs of the business community in Barbados. We have to get it back up to the stage where it works. Well, I know my colleague, the MP for St. Lucy, have done some good work there and I intend to continue to build on that going forward. Mr. Chairman, with those words I'm obliged to at this point our [Inaudible.]

Mr. CHAIRMAN: Member for St. James Central.

Mr. K. D. SYMMONDS: Mr. Chairman, this sector which we now address our minds to is a sector which largely was fashioned as a strategic sector aimed at facilitating Barbados as being a place which offered financial services to the world. With the passage of time, sir, that metamorphosized into the introduction of high end manufacturing and several other value added products, some of which the minister just enumerated and continue to come on stream. The idea of mining and so on - those things, extraction of minerals - those are the areas which are now coming on stream. It is a sector, sir, which has been plagued by a number of local difficulties. And even though when the Honourable Prime Minister spoke to the sector briefly today and sought to locate some of the challenges of the sector in an internationalised context, the truth of the matter is that if we are going to be candid with ourselves and make a useful exercise out of this head and the deliberations on this head, then we have to begin with the realities which are inescapable. Many of the challenges facing this sector are not only international but rather are

homegrown and must be wrestled to the ground. The minister, sir, is obviously an officiate minister and it is clear from the way in which he skimmed the surface and made a number of casual and superficial observations that he has not yet come up to speed on the structural reform which is necessary.

But what are those structural reforms, sir? We face - and that is not the cast and ask person, that is just to state that which is obvious - the challenges, sir, which we have to address are multiple. First of all, sir, it is necessary to understand that when the Barbados Labour Party was in office, at every stage of the game there was a strategic plan to guide the sector, purely because it was felt and continues to be necessary that you had to have all of the stakeholders, investors and policymakers speaking or singing from the same hymn sheet. The dis cohesion, sir, which manifests itself in the international business sector today is largely explained by the fact that the strategic plan 2007 to 2012 is really now obsolete, has been obsolete since January of last year. And the difficulty, sir - the discordant noises you hear and have heard over the last year coming out of the international business sector - is largely because you have potential investors speaking to one set of concerns, stakeholders speaking to another set of concerns, policymakers, sir, trying to respond, and in the case of this government, not satisfactorily responding to concerns which are being raised domestically and internationally.

So that, sir, one of the areas of concern for the opposition - and I am hearing, sort of, that there is a new strategic plan or will soon be a completed strategic plan - is the fact that the strategic plan, sir, needs to be in place in order to give guidance to the sector. That schizophrenia, sir, once corrected, allows us to have a new strategic focus which will therefore enable Barbados to better recognise the goal of transforming the international business sector into one which drives the economy. Now we feel that while tourism obviously has its limitations, there is boundless potential in the international business sector. The sector, however, sir, has to develop a suite of products. And on that point I agree with the minister - there must be a suite of products which meet a constantly changing environment. But before we get there, we have to deal with the structural issues located locally.

It is clear, Mr. Chairman, that the first concern which we have to relate to is the way in which Invest Barbados operates and has operated. Now what is the evidence of the failing of Invest Barbados? The former chairman or outgoing chairman was so concerned about Invest Barbados that in 2011 he brought rights with his own government - the CEO brought rights with his own government - to indicate that Invest Barbados had lost 2 700 potential jobs and, in total, sir - and it is important to understand the point - \$1 billion in potential foreign exchange. Now, Mr. Chairman, sir, it speaks to a question

of unresponsiveness in the sector. It is manifested again, sir, in the Auditor General's report of 2012 when they make the observation that Invest Barbados actually expressed to the Prime Minister in 2010 that they estimated close to \$300 million in potential investment being lost as a result, sir, of bureaucratic delays or decisions that, quote unquote, chase investors away.

Mr. Chairman, sir, it may make members on the government benches uncomfortable, but you cannot come to this chamber, sir, and make a case about internationalised problems and that people from foreign climes - the United Kingdom and Europe - have a vested interest and a difficulty with seeing small developing economies have wealth being repatriated from Europe or moved from Europe back down to the former colonies and so on. That is really old hat, it really is. That suggests that at the very head of the government there is a failure to understand and to appreciate that which the Auditor General has put into black and white. That, sir, the concern of Invest Barbados is that it has lost \$300 million in 2010 as a result, sir, of bureaucratic delays or decisions that chased investors away, that more projects on which they had worked were still in jeopardy, and a further \$200 million in potential business identified from marketing trips would already have been enjoyed if only legislative changes required had been made on a timely basis. And it was only today, sir - or was it yesterday - that the learned Attorney General sought to defend the legislative implementation process of the government. It was only today, sir, that we heard the Prime Minister champion and laud the performance of the economy.

You would forgive me, sir, if I use the analogy of Rip Van Winkle. He spoke as a man who had awoken from 100 years of sleep only to discover for the first time, Mr. Chairman, sir, that on February 11, 2011, Barbados was downgraded and blacklisted by the OECD, followed in April of 2011 by Barbados being blacklisted by the former mother country, the United Kingdom - and blacklisted, sir, because we failed to heed repeated warnings issued by them, sir, on exchange of tax information. And that we were penalised, Mr. Chairman, to the extent where 200 per cent of the underreported or unreported income of a United Kingdom resident doing business in Barbados was the penalty attached for the failure to properly report. Now that therefore, sir, tied us into a situation where for the first time - this is how bad it was, this is how dimly we are being viewed out there - for the first time in history, the penalty for underreporting income or non-reporting of income was a penalty that linked the taxpayer with the jurisdiction in which he operated. Great Britain determined that if you did it in Barbados, you would face a penalty of 200 per cent. If you committed the same offence but were in other parts of the world, you would face a penalty of 150 per cent or 100 per cent depending on where it was. So that of the three possible categories, we were placed, Mr. Chairman, sir, in

the very worst. Now that is not a matter about which we can just come and be flippant and say you have heard it all before. And the reality is, Mr. Chairman, that it took us a full year from 2011 to 2012 to get the renewed treaty sorted out, so that there has indeed been a lethargy which has had a debilitating effect on this sector. The Honourable members on that side may not wish to accept that, but that is now understood not only by the Auditor General, not only by the OECD and the United Kingdom, but by virtually everybody who has looked at what is happening in Barbados.

Mr. Chairman, sir, we also have to accept that another homegrown difficulty is that which the Honourable minister spoke about in his second reading speech - that of business facilitation. Now, the problems of business facilitation in Barbados have absolutely nothing to do with former colonies not wanting to see wealth being transferred back to the south. The problem of business facilitation is entirely homegrown and within our control. It is a matter, sir, of understanding that as we speak here, there are companies which prefer to go to St. Lucia and do an incorporation because you can get through faster. You can go to St. Lucia and do an incorporation because you can get through faster. It is a failure on the government's part to understand that part of the structural issue we deal with is the seeming unresponsiveness of key departments of government to the sector and the needs of the sector. The absence of urgency has been manifested by a study done by Invest Barbados itself last year, sir, which has reflected, sir, that turnaround times for applications in Barbados as opposed to our competitors in the eastern Caribbean, and, sir, across the Caribbean region generally, are about - in the case of an application, sir - one to two weeks longer. In the case of a renewal of a permit, sir, or licence, two weeks longer. Work permit, sir, sometimes twice or three times longer.

These are not new issues. The reality is, Mr. Chairman, sir, that the problem is that we have had difficulty in dealing with implementation. The Honourable minister spoke, sir, about multiyear licensing applications to allow international business companies desirous of procuring a multiyear licence to do so in one go. But Mr. Chairman, sir, that issue of multiyear licensing appeared as a commitment given on Tuesday, August 16, 2011, on page 53 of the budget of Tuesday, 16th August. It was at that stage, sir - and I am hearing the new minister say that he is planning to talk to his people about it - but, sir, a commitment was given in that budget that multiyear licensing applications would be receiving laser-like focus. That was the language of the Minister of Finance. And that was in 2011. Twenty months later, sir, we are still hearing that it is going to come. And it is that level of lethargy, that level, sir, of unresponsiveness, that level, sir, of an inability to implement, that is causing the haemorrhage of companies and revenue in this critical sector that should be

playing a leading role in leading us out of the recessionary trend in which we are trapped. I am obliged.

Mr. CHAIRMAN: Honourable Member for St. Lucy.

Hon. D. St.E. KELLMAN: Mr. Speaker, speaking on Head 79, I would like to say from the outset that if we continue along this path, we will continue to be played off against each other. And this is a very serious issue because it is quite clear, sir, that small development states will always be confronted with these problems. As soon as you solve one problem, you are going to get international organisations spraying up and they will be presenting different solutions. For example, sir, previously it was the Breckenwood, then you had the OECD, then you had WTO, you just name it. As soon as you solve one problem, because politicians within small states do not understand how to support each other, you are going to get these things occurring. And that is why this sector will remain so fickle. For the simple reason that countries like Barbados have been able to understand how to use their taxation policies and to be effective with their taxation policies. But instead of us coming together and acknowledging that we have created an advantage - and not an unfair advantage, but an effective advantage - what you get in this House, sir, instead of us coming together and understanding that this is international politics at play, is that we get in here and play minor politics, sir. Ignore that. There is a bigger issue, Mr. Chairman.

In the year 2000, we had globalisation and trade liberalisation and the OECD wanted to blacklist Barbados. It was the opposition at the time that held the hand of the government. Yes, I remember also that the Honourable Member for St. Peter lambasted me in this House and said that I do not like anything large, that every time I get in here and badmouth everything, once I hear anything about anything big, I always criticise. And by August, when I was going to the Bahamas, the same Honourable Member asked me to put some licks in them. Yes, the same Honourable Member and I went to the Bahamas, sir, and put some licks in the OECD over trade liberalisation and globalisation and their attempt to be unfair to small states. It made international recognition because it was picked up by CNN and the Honourable Member was very happy. That is the Honourable Member for St. Peter.

So I am saying, sir, that on issues like these we need no partisan divide because we have to understand that we are fighting the enemy. You think that people are happy to hear that the Prime Minister, as the other Member for St. Peter used to do, get in this House and say that between 60 per cent to 70 per cent of the corporation taxes that he was collecting was coming from this sector? And it is obvious that when they heard that they got to tell us. And we have to understand that the changes occur merely because of

jealousy. But we get in here all the time and we behave as if we are doing something wrong. We are not. Every time they come to us we change our laws, we accommodate them, and as soon as we have done it they bring something new. But yet still you will hear the opposition behaving as if we are committing some crime.

I want to say, sir, that this is an issue that small development states need to come together - opposition and government - and stop the stupid politics on it and recognise that we are at a stage in our development where, if we do not do it, they are going to continue to play us off against each other all the time in their interests. We are not folks looking up from scratch. We have to stop behaving like that and recognise now that it has been a long time since we acknowledged that wherever we have developed an advantage, people play us off against each other. And I am saying, sir, that is why we have the same problem with companies coming to Barbados using the tax breaks. And as soon as the tax break is over, the tax holiday is over, they bail out. And then they try to give the impression that the country is not responding to their needs - they just come and they use us.

And that is why when I was Minister of Industry, Small Business and Rural Development, I sought to do the reverse. And that is the same energy that we give to these international companies - I tried to give to the local companies. And that is why, Mr. Chairman, it is not surprising, sir, that in two short years, sir, in that ministry, that even though manufacturing was down, exports were up, because we recognised that we had to position our people to stop depending on companies to come in and do the export for us, and to drive our local companies and to position them in the international market. And that is why we even recognised, even before our own country did, that there are distributors in this country that believe they should not support the local manufacturers. And we said no - if that is what is happening, what we will do is to ensure that we create an advantage for the manufacturers by moving towards showrooms. And we said that we are not only going to do the showrooms in Barbados, but we will also give them a place in the export market. So we are not only looking at internal showrooms, but we are also looking at external showrooms, because we recognise that the Barbados manufacturer produces a good product. Yes, he does.

And that is why sometimes when I hear people talking about going to buy overseas goods and complaining about local products being expensive, they are not recognising that they are not matching quality - they are looking at quantity. And we have to understand - and I have said already - that this would change, because it is clear to me that now the international market is recognising that the local good is proper and not inferior, and they are bending to our goods. It is clear that the local market now

has to appreciate that, because it seems sometimes that we tend to follow a pattern. We recognised, for example, that we had the best furniture in the world - polished mahogany furniture. And we allowed external forces to come and influence us and stop us from allowing our furniture to breathe. Are we going to lacquer it? When everybody knows that if you want to appreciate local furniture, you polish it so that you can appreciate the grain and allow the ageing process to occur. But what do we do? All of a sudden, all hotel rooms no longer look good because we stopped putting proper mahogany in the front end and making the rooms look expensive, and replaced it with some inferior stuff that before the year is out, the termites move in and destroy it. And we say it is cheap. I mean, that which is cheap is not cheap. Because if you have a proper chair and proper furniture, that is going to last you sometimes over 100 years. How can you match that to something that is going to only last you one year?

And we have to understand that we have a situation in Barbados where our parents have laid a foundation for us and we have ignored that foundation, and we have to get back to it. And I have an appreciation for it. There is no furniture in the world that can be better. If you have an appreciation and understand this - that all local mahogany furniture, when properly polished and displayed and crafted - I hear people talking about antique furniture. Antique furniture. Mahogany furniture cannot be antique if it is lacquered. It cannot, because it cannot have the ageing process once you put lacquer on it, because you stop the grain from ageing and things like that.

So Mr. Chairman, I am saying that we as Barbadians have to understand and appreciate what we have and recognise that we are producing quality products, and stop comparing inferior goods with proper goods and then talk about cost. And that is why I keep making the point in this country that Barbados must understand that they have a quality product and that they must not allow anybody to deflate their opinion of their products. And that is why I would never agree with anybody that local goods are expensive. Local goods are not expensive - for the simple reason we tend to measure local goods based on ourselves and we do not measure local goods based on the country. We have to use the measurement for the country and for ourselves. On top of that, we have to recognise that whenever we buy local goods we are buying local products and we are creating jobs for our brothers and sisters. But we have become so selfish now that we think only about self. And the most fascinating thing in the world now is that we want to import all the stuff that we want to use. But if we import all the stuff we want to use, how will we be able to get money to pay for those goods? Because if people are not working, and if we increase the unemployment of our own people - because every time we buy a foreign good as opposed to a local good, all we are doing is creating employment for ourselves and the people

around us - so Mr. Chairman, we have got to get with it and start getting ahead of grandstanding and behaving as if we are just politicians, and recognise where we have to go.

I am saying, Mr. Chairman, that the focus of this government is the right focus - that we are positioning local manufacturers once again to recapture the local market. We have recognised that the local market has gone south, sir, and we have to find a way, sir, to balance that. And the only way we can do it, sir, is by holding the hands of the local manufacturers and educating our public. And I am saying, sir, that the Ministry of Education will have to play a pivotal role in this, because we have to instil in the young ones from early, sir, that in order for this country to develop, we have to learn to support what we have, and in order to appreciate other people's goods, we must be able to appreciate ours first.

And so with those few words, Mr. Chairman, I want to say, sir, that if we do not change and we continue to get in here, sir, on critical matters like these and continue to create division, this country will ill-support that which was given to the government in their critical time, sir, when they sought to stop them from being blacklisted, sir. I am saying, sir, that they need to understand that they need to put country first, sir, and behave like the opposition at the time, sir, because when they were scared, it was the opposition that led the fight to the OECD. Go and look at the record now. Don't say, oh God, you weren't here - you didn't even dream about it yet. So don't come in here like that. Then you take your time and learn. You will learn. This is a matter between the Honourable Member for St. Peter, myself, and the others.

So I am saying, Mr. Chairman, yes - this is not for you, sir, just a Member, please. I am saying, sir, that we have to understand that in a serious debate like this, sir, that these types of interventions would not be allowed, sir. And I am saying, Mr. Chairman, that we have to understand - if you go back and read the record in 2000, 2001, 2002, as you enter this House, you would understand what happened in those times. Do not speak on matters that you are not aware of. On these matters, these are too critical. So I am saying, Mr. Chairman, that we have to understand that this process is at a very high level and if you want to enter, you have to enter at that level. Sir, I thank you very much, sir.

Mr. CHAIRMAN: Honourable Member for St. Peter.

Rt. Hon. O. S. ARTHUR: Mr. Chairman, sir, I thank you for recognising me. I am happy, given the conceptual frame that was set by the Minister and the spokesman for the opposition, to be able to make a contribution to this debate. I must also confess that the speech from the Member for St. Lucy is the closest thing that you will find to the peace of God - it surpasses all understanding, sir.

The issue of the international business sector is important and is of strategic importance to the development of this country. There have been two studies done on this sector in emerging economies - one by the Central Bank of Barbados and one by the IMF - and they indicate that this is a sector in which Barbados has barely scratched the surface in relation to the volume of investment in the sector in Barbados, as regards the range of products and services that we are now offering. And therefore the potential of the sector resides in the fact that, as compared to Bermuda and all the other countries, we have merely scratched the surface, but that we have more to offer than they do.

This sector, however, has issues that have to be faced. The Member for St. James Central was absolutely correct that there is an important institutional issue that is of a homegrown nature that has to be addressed. One is that this sector finds itself having a curious allocation of responsibilities where the responsibility for policy is in one ministry but the institution responsible for implementation is in another. Now this comes from what happened in 1994. The international business sector was located in the Ministry of Finance - it was not a Ministry of International Business. And when the Democratic Labour Party came back to office in 2008, they relocated

part of the international business to the Ministry of Finance under the Minister of State and it has followed him. And it believes her that the kind of problems that you've had in moving from policy formulation to implementation are not going to be easily addressed unless that issue is solved. And hasn't the Barbados Tourism Authority involved? Ministry and the Ministry of Tourism responsible for the - for different tourism. And that is what is happening in this sector. And that's why there's such a gap between conception and implementation. Now I cannot tell people how to form their cabinets, but I do know that a minister of international business who does not have Invest Barbados under him will make pronouncements. But the ability to implement, sir, is going to be reduced.

I would have had the opportunity. I must thank the member for St. Lucy, sir. I had a role to play as co-chair on the global forum in relation to the OECD matter and this is a sector of which I have some interest. This sector, Mr. Chairman, is one in which there has to be absolute nimbleness in legislation, absolute nimbleness in policy direction, absolute willingness to continue to diversify as the international product cycle changes. A significant part of why Barbados has started to falter in this sector is that the nimbleness of some other jurisdictions in respect to the critical things that must be in this sector, sir, have not been done.

But I would like to suggest, sir, that the challenges that Barbados are facing in this sector are multiplying and will continue to multiply and they will require a very

coherent response. Sometimes that is not being presented. First of all, remember, the international business sector has now moved beyond just the sale of services internationally. But Barbados is facing a challenge in relation to that part of the international business sector that sells commodities under the WTO Article 27.4 on subsidies and countervailing duties. A lot of our legislation that has hitherto promoted the international business sector is subject to international challenge. Article 12H of the Income Tax Act that gives the favourable profits on the sale of services, of goods, the society restricted liabilities - the international business sector legislation itself, insofar as it applies to commodities, is subject to challenge.

And sir, I have tried to get what is our position on this. But it seems to me that the rest of the Caribbean, wherever there is that challenge, have been more responsive in trying to get it resolved. But Barbados has not yet been clear as to what is going to be its position in respect to the challenge under the WTO agreement on subsidies and countervailing duties. And until that is resolved, the horizons for this sector are not clear.

I made that point, sir, because this sector is a sector that has until recently outperformed all the rest - Belize, Jamaica, all of them. Yes, they have. We track this as a matter of course, sir. This sector is a sector that has benefited from unique tax benefits. This is a familiar part of the challenge that the sector faces - that what used to be a unique tax benefit to Barbados in the cent service arrangement is no longer unique to us. The rest of the Caribbean is getting it. A large part of our international business sector was Canadian business and in fact Barbados became the third largest location for Canadian business in the world because we had a unique tax benefit which the rest of the Caribbean did not have. Now, in the absence of that unique tax benefit, Barbados has to begin to give enterprises a reason to locate here and to expand here.

And issues that were not important in the past become important now if we are to stabilise this sector and expand it. Matters pertaining to the ease and the cost of doing business in Barbados become important - and become important because every year there is a World Bank report called Ease of Doing Business in the World, and almost every other country in the world supports the survey and contributes to this survey. And every year where there are issues in respect to ease of doing business, they identify the problem and they make their report as to what they have done to change the situation for the better. The country with the best conditions for doing business in the world is Singapore, and it is the most competitive in this field for that reason. But Barbados has not participated, Mr. Chairman, in the Ease of Doing Business survey since 2007.

And we are now operating in a world where conditions for doing business, business facilitation, investment facilitation sets the boundaries within which people make investment decisions. But we do not know where we stand in and of ourselves and where we stand relative to our competitors. And I would want to urge, sir, that deficiency has to be addressed because more and more of our international business in the future will be driven by the ease of business facilitation. And the report to which the member for St. James referred was really saying that the officials in the ministry were citing the fact that we were losing business because of inadequate business facilitation practices. So that has become an important part of the policy.

The other matter is that a lot of international business in the past would have been driven by treaties. Barbados put a lot of emphasis on treaties - bilateral investment treaties, bilateral treaties with the importance of taxes. But more and more international business in Barbados will be created not by tax planning, but by what is contained in trade agreements - the new generation of trade agreements. In the past, trade agreements focused only on goods. But since 1994, with the Uruguay Round and now with the EPA, more and more international trade agreements are liberalising services and have disciplines relating to intellectual property and the like.

The EPA, for example, was worthy of being signed by the Caribbean because under the EPA, under Mode four, the temporary movement of natural persons - Europe was prepared to give the Caribbean more generous market access for service providers, people in the cultural industries, people in the creative economy, all professions. Europe gave us greater market access for our service providers than it was prepared to give the rest of the world under WTO negotiations, or than it was prepared to give any other set of countries under a bilateral agreement. And a tremendous amount of international business can be generated by taking the EPA and beginning to implement it. And today I started to speak to the issue that it cannot be implemented until other matters are addressed - for example, the visa abolition agreements, mutual recognition agreements and the like.

And I heard the minister's concept as to what international business in Barbados should be. In many respects, sir, it is relevant, but it does not go as far as we need to go. There has been too much of a mindset in Barbados that our international business sector and financial sector must be a sector that is based upon the importation of capital and the importation of enterprises. The great challenge and the great opportunity for Barbados is to create a class of international businessmen and international service providers who are indigenous in origin and who see first of all the Caribbean and then the rest of the world as their theatre.

The Caribbean, sir, because the provisions of the Caribbean Single Market and Economy opens the market for services precisely because the CSME - remember, that's five minutes and I will not take the five, sir - but the CSME provisions are more liberal where services are concerned than any other set of market arrangements that a Barbadian service producer will face. And we also have to recognise that our greatest national resource is the creative imagination of our people. We have been training human resources that can sell a service in the Caribbean and in the rest of the world. And there must be a mindset in the Ministry of International Business that the development of the sector is not just about attracting enterprise to Barbados, but developing Barbados service providers to be able to sell their services to the rest of the world.

The strategic mistake that has been made in recent times is that there is a domestic institution called the Barbados Coalition of Service Industries that was put in place to seek to give effect - and it has to be repeated because this is where we can make the decisions - that the Barbados Coalition of Service Industries was created precisely to be the institutional vanguard, to help us create an indigenous class of service providers, to make our international business sector not just improve it, but indigenous. It was like the small business association. It used to have its facilities fully funded by the state. I once went to Boston, Mr. Chairman, and sought to build a relationship between our service providers, descendants of Barbadians, children of Barbadians abroad and locals, to be able to enable us to offer a whole package of services from Barbados that were based on what is available in Barbados and what was available in the diaspora. And it was hoped that institution could become an important institution in the service of this country.

If the minister was to check, he will find that support for the Barbados Coalition of Service Industries has diminished significantly to the point where, were it not for the support the institution is getting from international organisations based on standard values, the Barbados Coalition of Service Industries would have already died. And I am going to finish on this point. They have produced plan after plan and at the start of this debate I am pleading with the minister to see our international business industry not as one that we import, but that we must come to believe that increasingly so, there will be a class of Barbadian entrepreneur that can sell services - because of what is provided in the new generation of trade agreements - that can sell services because the changes in information technology have now made the global market available to people, even from small societies such as Barbados.

And therefore, the only criticism I will make of the contribution I have heard thus far is that it is still the mindset that if we can develop our international business sector, it has to be one where we are attracting these

enterprises from abroad. But there is not yet the recognition that our future - and the future has to be - that Barbados must believe that we can have an international business industry that we create ourselves. And in that respect, sir, I believe also that we have to speak of our sportsmen as part of the international business sector and that we have to create an environment within which any income generated from making professional sports part of the economic activity in this country must be such that the sportsmen of Barbados are taxed at the same rate as the international business industry.

But I believe we need to have a very full debate on this because I think we can all agree that the future of Barbados will depend on the manner in which the international business industry is developed in its totality. My time is here and I look forward to the rest of the debate.

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

Hon. A. D. BRATHWAITE: Thank you, Mr. Chair. Maybe I can begin where the honourable member just ended, which is we sometimes get in this chamber and speak about having a serious debate about issues. Now the member for St. James Central, as is the want of members on the other side, spends lots of time pointing out what is wrong, sometimes filled with inaccuracy. And then his leader then comes and says, but let us have a serious debate about the industry in terms of how we can go forward. Now I am going to take you at your word, sir, and maybe we can have a serious debate. But I need to deal first with the inaccuracies espoused by your protege, your soon-to-be leader. Because yes, there have been some issues, but I think it is uncharitable to suggest that the presentation by the honourable Prime Minister that pointed out that no matter what we do as a small jurisdiction, the OECD consistently moves the goalpost. And you, sir, the member for St. Peter of all persons knows that, having been through it yourself, that in fact every time you address an issue with them, they move the goalpost. Look, we have an issue now in terms of our banking sector. For years there was no issue in terms of many of our Canadian banks. Then overnight what was the norm in terms of acceptance of the business - overnight we have an attack on our banking sector. I am not going to spend lots of time on it because I do not want to create any further issues. But the point I am making is that it is true that every time that as a jurisdiction we have addressed an issue because of the big state policy, they have moved the goalpost and we consistently have to try to catch up. And every time we start an issue when we believe that there is an issue in terms of you need to have six employees, let us get six employees so you can be called an active business company, then they still are fine, but you need to do more. The nature of the business that you are doing is not banking, it is investment, et cetera. The

goalpost is always moving and I think you need to appreciate that.

What you might want to do is do an analysis in terms of whether or not we do respond to the challenges with the alacrity that we should. And we have not always gotten it right as a jurisdiction. We did not get it right when you were an officer, always. And we certainly as a jurisdiction will not always get it right. And maybe that is one of our failings, because indeed one of the things that we need to do as a jurisdiction is to be able to spot challenges from afar, be able to anticipate the challenges and respond quickly to these challenges. And certainly I would accept that. We also have to address the whole issue of product development and try to look, have a clear picture of the horizon in terms of where we are going, where there are new product opportunities. How do we get these products as quickly as possible to the market? That is what we need to do as a jurisdiction. And I believe that the honourable minister, my good friend from St. James himself, understands this. This is one area that I feel very passionate about. And I feel really that as a country we have not done as well as we should do. And I am not going to spend lots of time in terms of whether or not the governing party should have done better, whether or not we should do better, et cetera. As a country we can do better. And when I look to see what other jurisdictions with less talent are doing, it saddens me that we are not doing better. And we really need indeed to examine why we are not doing better.

Now, if I look at the Cayman Islands as an example, I look at the Cayman Islands that imports most of its labour and they are earning, I believe the last note I made, about one point four, one point five billion dollars from this sector. I do not remember what we earned, but I do not believe that we are earning \$1.5 billion from the sector. Therefore, we need to do analysis in terms of what are they doing that we are not doing. And certainly one of the things that we have been doing is that we have been allowing our corporate business - I am just dealing with the financial services aspect - we have been allowing the corporate business to drive what we have been doing. But if you do an analysis in terms of what drives the business, you will see that the corporate business does not feature as significantly. So the number one business is banking, followed by hedge fund formation and investment structured finance, captive insurance, and then general corporate business comes down there in terms of importance to what contributes to their sector. We do not need to reinvent the wheel, and I have said this consistently, we do not need to reinvent the wheel. We can be the best second. But certainly even by being the best second, we will be doing much better than what we have been doing as a country for many, many years. For many, many years. And therefore I accept that we should realise that there is more potential in this industry. And I am heartened by my conversations I have had with the minister

who I believe understands what we need to do to move this sector forward.

Now we have, I believe, most of what is required. We need to examine our communications. We need to indeed ensure that because costs have always been a problem in Barbados, so therefore in liberalising our markets, we need to also ensure that we not only produce better bandwidth but also cheaper and faster because that is going to be a significant contributor. We need to examine issues like immigration and work permits and where there are kinks. We need to address them. We need to examine our personnel so that if we have a shortage of lawyers who understand securities and finance, we need to train them or direct them along that path. Now today, for example, there is no doubt that we have a surplus of lawyers in Barbados. When I look at the number of lawyers in Barbados, I believe that we have close to 900. But we do not have a surplus of quality individuals who are practising in this area and we say that it is important to us. So there is a disconnect. So we need to say to the Bar Association or we need to say to our young lawyers, what can we do to assist you there? You are struggling, but there are tremendous opportunities in this area and that is the kind of analysis, that is the kind of reasoning that we need to do with our people to channel them in the right direction.

I have also said in the past that one of the things that we have had as an issue - because I remember when I established my practice that one of the things that I found difficult was actually getting funding - because it is not one of these industries that you can stay at home and business is going to come through the door. You need to spend the money and go into the marketplace, put your name out there so that people know about your services. In addition to which you are not going to learn about opportunities by going onto the Internet only; you have to attend conferences, et cetera. So you need to spend some money. And many young practitioners do not have the resources so we need to find some way to get the resources to them. And when I say young practitioners, not just lawyers but accountants and other professionals, because the opportunities as I see them, sir, lie in the added value, not just in the incorporation of companies, but the added value. I am saddened, for example, that in terms of mutual funds, because again, we have many young accountants who are leaving Barbados and going all across the world, going to the Cayman Islands, in Bermuda, and one of my friends just left Guernsey, is heading to the Cayman Islands for a three-year contract where they are learning new skills and we need to create opportunities for them here in Barbados. So when I look at the fact that we did [Inaudible.] in 2002 and ten years later - in fact, this is 2013, eleven years later - it is still not fully utilised because we need to address the platform, we need to change the legislation then. That is the kind of analysis that I believe that we need to do, not just as

a government, because I would accept this also because we really need buy-in from all the actors.

Because at the end of the day, if we provide the legislative framework as a government, it cannot be expected of us also to go out and do the marketing. And one of the things I say consistently that is wrong with how we are set up as a jurisdiction is because our industry players expect government to provide the legislation, provide the tax incentives and also to do the marketing. So they are not willing to risk any capital. They just want to sit at home and let us bring the business to them. And that is one of the reasons why we are not moving forward, because we really need our industry players to invest more in marketing, to join the efforts of government, join the ministry, Invest Barbados and go into the marketplace. If you look at the successful jurisdictions, it has been a twinning of the relationship between government and the private sector, and we do not have that in Barbados.

We also have a situation that we really need to address, which indeed must see more indigenous, more ordinary Barbadians get involved in the industry, because what we have now is the disconnect. What we have now is the fact that the leading players in the industry all came into Barbados, mostly from Canada, with a one-track mind in terms of this is the source of our business, this is what we are doing. What we need are ordinary Barbadians who are willing to join together and recognise that there are opportunities beyond Canada and expand our opportunities. And until that happens - in fact, one of the things that befell us was when the accountants got out of the business because they were able to leverage their international relationships and that was not taken up. So we really need to find some mechanism, colleagues, to get more of our young people, to get more of our ordinary Barbadians to see this sector as a vehicle that they themselves can invest in and create meaningful employment in this country. I remain optimistic. But what I want us to do as this Parliament and what I want us to do is let us not criticise what we have done on this side or on that side, but try to identify where the issues are, where the kinks are, and let us address them. Because from time to time what tends to happen is someone like myself sits here and then finds that I have to defend this, because when I hear what is coming from the other side, I find I spend too much time trying to define what we have done rather than for us to try to work out what is necessary for us to move forward. So with those few words, and if necessary I will come back again. I will close by saying I remain optimistic of what we can do in this industry. I thank you.

Mr. CHAIRMAN: Honourable Member for St. Michael North East.

Hon. Miss M. A. MOTTLEY: Chairman, I have really intervened in this debate listening to the last speaker

and the constructive manner in which he has spoken, to be able to join with him to continue the tone set by the members who have spoken before. I am not sure that the member for [Inaudible.] had his historical facts correct, but other than that, I believe that this can be a very constructive debate for the benefit of all in the country. And I think that we all agree what the fundamental problems are, but we equally agree that we have external battles that ought to unite us. Part of the difficulty, sir, is that there really is a lethargy in terms of our ability to respond, and we are going to have to get on top of that and get on top of it quickly.

In 2007, there were some amendments passed - I am not sure that we ever took cognizance of them - and those amendments in 2007 were to ensure that we expedite the process for the approval of licences by ensuring that we shifted the burden of proof onto the applicant for an international business company licence and equally under the Immigration Act for work permits, recognising that if we were in a position to have full and frank disclosure, retaining the right to revoke the licence or the permit at any time, then it meant that both the Ministry of International Business and the Immigration Department could take swift action in the approval of both licences and work permits. In respect of the Immigration Department, I am not sure, Mr. Chairman, that those amendments have been used and if we were to use them, there is really no reason, Mr. Chairman, for us not to be able to approve licences within a matter of days and indeed work permits within a matter of a week or two, recognising that we can always come back if we found that the person was not full and frank in their application forms and had failed to disclose information which was pertinent to whether the licence should be granted in the first place. So I think that we need to start from

that perspective. There is no doubt that business facilitation, product diversification, marketing strategies continue to be the key areas that we need to focus on. Unlike the Honourable Attorney General and Member for St. James Central and the Right Honourable Member for St. Peter, I believe that we have only scratched the surface here. I had 18 months serving in this area and I feel strongly, Mr. Chairman, that ultimately this is the sector that will lead Barbados's development over the course of the next ten to 15 years. But unless we get the architecture correct and unless we have the nimbleness to move, we are not going to get the full benefit of it.

Now we hear the need for cooperation and I believe, sir, that this is one key area in which Government and Opposition can work together in the interests of the country, trying to ensure that we get the legislation correct and also the other architectural issues for the sector correct in terms of business facilitation and in terms of marketing and product diversification. And I would like to suggest that one of the standing committees that this House may

want to have, particularly given the newer members that we have who have entered the Parliament, would be a standing committee on international business and international trade. That allows us to get a handle on the complex issues because it is not only looking at the tax issues but looking at what the international trade agreements will also allow us to do.

Now part of the difficulty, sir, is that in a very real sense Barbados as a low income tax jurisdiction has an advantage. And one of the difficulties coming out of the last OECD review is that if we are forced only to deal with TIEAs - tax information exchange agreements - in my view we are going to give up the competitive advantage that we have in relation to marrying double taxation agreements, bilateral investment treaties and the potential for arbitration and the rule of law, purchased then by quality of life issues. We have a better country to offer people to live in than a lot of the other jurisdictions that are really very small but do not have the benefits of the quality of life that we have. Those who visit Cayman Islands, those who visit BVI will tell you that after a day or two there is not much to do there, but Barbados has a range of product offerings because of our mature tourism industry that allows us to be able to offer those benefits to people - for example, who may want to live here and manage hedge funds from here, live here and manage private wealth institutions from here. But I am not sure, sir, that we have gotten the mix correct nor the marketing of it correct.

Equally, what is our benefit? Our benefit lies particularly in countries that have large surpluses of capital moving in and out and that may also have issues in relation to political stability as well as rule of law, which is why China, Venezuela, Cuba are optimum countries for us to build on. And we all have treaties - we have treaties with all three of those. But then the other low-hanging fruit in terms of the rest of Latin America and indeed the Middle East and the Far East are ones that we will need to aggressively go after. There is a genuine disconnect between the negotiation of treaties and the marketing of our products to the practitioners in those territories. And I feel strongly, sir, that it is unrealistic for us to believe that all of the marketing can be done out of Barbados and that we may well need to have people resident in those territories who are dealing with the practitioners, the lawyers, the accountants, the financial analysts on a day-to-day basis such that Barbados will remain top of mind for those people when they are deciding where to structure deals, where to domicile companies, where to choose as opportunities for protection as to what arbitral mechanisms might be available to them.

And in that case, Mr. Chairman, I would like to have seen a greater emphasis on the contracting of international marketing arrangements. Nothing fancy, but once you have people based in China, once you have people based in

Latin America, once you have people based in anywhere where you have the combination of double taxation agreements and bilateral investment treaties, then you have the mechanism for driving business to Barbados. Mexico is doing well. The Right Honourable Member for St. Peter will tell you that for many years Mexico had us on a blacklist and would not remove us. And I used the opportunity of the Inter-American Development Bank meetings when we went there to be able to meet with the Minister of Finance from Mexico and to get us back on board with getting the double taxation agreement with Mexico. Now there are some countries that still have us on a blacklist and quite frankly, I think there are one or two that still have us in Latin America and we need to use the highest level political representation to open those territories back up for us.

Similarly, in terms of China, once the Chinese amended the treaty to remove the benefit of - capital gains tax not being charged at source - that companies would only be charged according to the laws at source, which meant that Chinese companies domiciling in Barbados would avoid capital gains tax on real estate transactions in China. We recognised at the time in 2007 that the bounty to be had out of China was not for the business case of investment into China, but the business case for Chinese investment into the rest of the world using Barbados as a domicile, as a conduit, in the same way that Canadians have done for the last 30, 40 years. But that means having an aggressive platform to be able to promote yourselves among Chinese enterprises.

Now I have told Mr. Chairman that the office may have closed since August since that distinguished Barbadian has retired - Dr. Carlisle Boyce, I believe his name is, who used to head up 3M. And it is therefore urgent that we find someone to take up that presence in Shanghai again because Shanghai, unlike Hong Kong, is a much larger market. Hong Kong is easier to move around, but Shanghai really needs somebody at a very high level who is capable of marketing and promoting Barbados. If not, we will lose. The Attorney General says he may be willing to go and I think the Prime Minister took note of that. But we really need someone at a very high level in China because China has one of the biggest sets of surpluses investing into the rest of the world. They are investing heavily in Africa, they are investing heavily into Latin America. And the protection of being able to use Barbados - to get the benefit not only of the double taxation agreement but the bilateral investment treaty - will be a significant bounty for them.

I will not use up the time because I am conscious that others on this side wanted to speak as well as on the other side, and we will come back tomorrow. But I will finish sufficiently to say, sir, that the Opposition would be prepared for a select committee on international business

and international trade where we can strategically set out the measures that need to be resolved as a matter of urgency. And we would support equally the engagement of draftsmen because that is one of the biggest problems that we have. The Attorney General is shaking his head to say no more. I am glad to hear that. But I still believe that the drafting of legislation takes too long if we are going to be responsive in this sector. And I will come back into this debate again.

Mr. CHAIRMAN: Honourable Member for Christ Church West Central.

Hon. S. A. LASHLEY: Thank you very much, Mr. Chairman. I promise not to be too long on this because of course we will be coming back tomorrow. But I certainly had to enter this debate on the international business sector to not only commend the officers within the division for their hard work, but also to certainly commend the vision of the minister who has just been appointed. And certainly in his presentation he gave a synoptical view of the forward movement in terms of where the sector has to go.

I believe, though, that in relation to the treatment of the international business service sector, and of course, from time to time in our discussion on this sector in this House, it is often the case that you get the impression that the opposition, the Barbados Labour Party, always somehow believe that the expertise in relation to how this sector should move is perhaps to be found on that side. I too, as an attorney, would have spent some time working in the international business sector, and I happen to know that in relation to what has happened so far in how this sector has evolved, certainly you cannot help but to commend the efforts of this government to date within a very short period of five years in relation to the very robust approach that has been taken in moving forward with a sector that is susceptible to the vagaries of international changes in all its various dimensions.

If there was one sector that is exposed to the kind of changes in the external markets, it has to be the international business sector. And therefore, I would wish to place on record that it is my view that the international business unit, the ministry, have moved very, very rapidly to try to deal with some of these more pressing issues. And I say that against the background too, that when it comes to calls from the opposition for dialogue and formation of select committees to discuss this issue, I think it has to be one that is founded on genuine intention.

When I review the Barbados Labour Party's manifesto, I recognise that perhaps the -

Mr. CHAIRMAN: I think that we have to be careful. I think you should withdraw that remark.

Hon. S. A. LASHLEY: Please, Mr. Chairman, let me rephrase it then.

Mr. CHAIRMAN: Please, just withdraw.

Hon. S. A. LASHLEY: Withdrawn. Thank you very much. But I would say that in the manifesto of the Barbados Labour Party, they have reserved some of the most offensive language in describing the record of this government as it relates to the management of the international business sector. But having done so - and I can recite the page because I have the manifesto - having done so, you now come in here and ask us to somehow let us discuss.

I want to say that many of the issues which have been cited in relation to the management of the international business sector, that the ministry itself is on top of those issues in relation to its forward plan. One of the issues we have to address is the whole question of how we have continuous training for our advisors and our experts in the international business unit. And that is an objective which the ministry itself has set for this financial year. So I think we ought not to reduce this discussion to an issue in relation to who can do it better. We have challenges within the whole question of how we can improve and retrain our people to keep touch and to keep pace with an industry that is fuelled by international development.

And I am convinced, and I want to compliment the minister in his efforts to put on the table a plan to strengthen the competencies of those personnel and those experts within the international business unit to be better able to respond to the issues that we have to face. I think we have to understand that, given the importance of this sector, that this government is ready and has put in place the resources to ensure that we can respond to all of the areas that will unfold from time to time. And I have every confidence that those programmes will be effected.

Now, the issue has been raised in relation to the need to expand our treaty network, and I have to say that I have to commend the ministry and of course its resource personnel in moving very, very quickly along those lines in a short period of time. And I want to refer - and that is why my view is that it is not so much a question of flagging international agreements and DTAs. What we have to do and what we will do is to put in place measures to ensure the efficient management of these agreements once they have been concluded.

Now, in my glance at the record so far, the commendable record, if I may say, of the ministry, they have concluded double taxation treaties over the past five years with the United Kingdom, the Republic of Seychelles, the Republic of Mexico, Panama, Luxembourg,

Spain, Czech Republic and Iceland. So let us not belittle the serious efforts that have been made to date. And I am not saying that there have not been challenges. I am putting it to this House that there will always be challenges facing the international business sector. What we have to do, though, is to recognise that in facing those challenges, we should not in any way deride the efforts that have been made so far.

There are also, Mr. Chairman, a number of tax information exchange agreements which are awaiting ratification, and those include Greenland, the Faroe Islands, Germany, France, South Africa and Denmark. So we are on track, in my view, in relation to concluding the legal arrangements that are necessary to expand our treaty network in this vital sector.

What I would say, because it is also my wish as Minister of Culture that we can see our local players in Barbados seeing the opportunities in relation to the international business sector just as we have traditionally seen them in relation to the influx of foreign companies and foreign managed companies, where of course we will also be able to move our cultural practitioners along to taking advantage of the external components of our international business sector. That is the transformation which we are talking about when we are saying that even in this sector, the need to reform the outlook is something that we have appreciated and it is certainly a strategy that we are very focused on following.

So I welcome the opportunity, Mr. Chairman, to seriously analyse the performance of the sector. What I would say, though, is that internationally the economic diversification effort has actually literally transformed into more than just regarding your economic diversification efforts as only centred around international business. And that is why we have unfolded a whole strategy that will take not only this sector but other sectors along the path of economic growth.

I want to say as well that the reality is that we have a record - a proud record - of treating to this issue in terms of international business. We recognise that there are challenges facing the sector. We recognise that many of these challenges have to do with ensuring that our human resources are trained and retrained to deal with the challenges facing the sector. And we are committed to doing that. And I entered the debate to commend the foresight of the ministry in this respect and in this regard.

So I do not want the Barbados Labour Party spokespersons who have spoken in this debate to believe that somehow they have some right to preach to the Democratic Labour Party on this matter. I would say also that many of the mistakes which have been made in this sector were not the mistakes made by this Democratic

Labour Party government. Many of the reluctance - the reluctance of the Barbados Labour Party to reform this sector in the 14 years that they were in office - actually calibrated into the kind of challenges that we have had to face in the past five years of being in office.

So if it is that, having seen the light, the Barbados Labour Party would wish now to join with us in an intelligent conversation as to how we will move the sector forward, let us start from that point. Let us agree that the government has taken some very productive, forward-moving decisions, that we are moving along the right path, and that the dialogue that has to ensue is one that we are prepared to accept and to take. And if we are prepared to take it from that perspective, I am totally on all fours with the Barbados Labour Party.

But let us understand that these challenges that we face are challenges that we have to look at within the context of moving targets within the international business sector. And we have said the former minister - whom I need to commend - the former minister who would have been responsible for this sector, also would have championed the cause of improving dialogue and improving how we cooperate with the various sector interest groups which are critical to how we move forward in relation to the international business sector.

I hope to come back tomorrow, Mr. Chairman, to speak to some of the issues raised in relation to Invest Barbados, because I feel that some of the things that have been said in relation to Invest Barbados have been somewhat unfair - not only to Invest Barbados, to the personnel of Invest Barbados, but also to where Invest Barbados started in relation to the transition of Invest Barbados to the point that it is now. And I think we have to be frank on these matters if we are to move forward in a progressive manner. Let us deal with the issues based on frank and open discussion.

So, Mr. Chairman, I am happy to have been able to intervene in this debate and hopefully bring some clarity and some semblance of fair debate to this issue, and to welcome the efforts from the Barbados Labour Party to finally meet us at the point where we are - the point of convergence and the point where we are poised to take this sector to even higher heights. I am obliged to you, Mr. Chairman.

Mr. CHAIRMAN: Honourable Member for Christ Church South.

Hon. J. D. E. BOYCE: Mr. Chairman, sir, I beg to move that you do now report progress to the Speaker and ask leave to sit again.

The question was put and resolved in the affirmative without division and Mr. SPEAKER resumed the Chair and reported that the Committee had made progress and asked leave to sit again.

SUSPENSION

Hon. J. D. E. BOYCE: Mr. Speaker, sir, I beg to move that this sitting be suspended until 2.00 p.m. tomorrow afternoon when we continue consideration.

The question that the House be suspended until 2.00 p.m. on Thursday, March 21, 2013 was put and resolved in the affirmative without division and Mr. SPEAKER suspended the House accordingly.

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BOYCE, Hon. J. D. E. (Christ Church South)
BRATHWAITE, Hon. A. D. (St. Philip South)
ESTWICK, Dr. the Hon. D. C. (St. Philip West)
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. M. A. (St. Philip North)
LASHLEY, Hon. S. A. (Christ Church West Central)
MARSHALL, Mr. D. D. (St. Joseph)
MOTTLEY, Hon. Miss M. A. (St. Michael North East)
SINCKLER, Hon. C. P. (St. Michael North West)
STUART, Hon. F. J. (St. Michael South)
SYMMONDS, Mr. K. D. (St. James Central)
TOPPIN, Mr. R. St.C. (St. Michael North)

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EDITORIAL NOTES — NOT PART OF THE REPORT

Prepared with the transcript; for checking against the recording and the Minutes.

EDITORIAL QUERIES

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

Q1. Front matter. This was the resumed Sitting of Tuesday, March 19, 2013. The source does not record the PRESENT list or the time of resumption; Mr. SPEAKER opens with ‘Good morning’. The Members listed are those identified from the record. Please supply from the Votes and Proceedings.

Q2. Throughout. The bracketed time-checks in the source are out of sequence (for example ‘[12.30 a.m.]’ and ‘[1.00 a.m.]’ during the morning and again during the afternoon and evening) and have been omitted.

Q3. Order No. 1. The source gives no Order heading. Mr. SPEAKER states that the House was on Order Number One, and the Minister of Finance moves that ‘this Appropriation Bill 2013 be read a second time’; the heading is supplied in that form. Please confirm the title.

Q4. Order No. 1, Hon. M. A. Lashley. Mr. SPEAKER’s call and Hon. M. A. Lashley’s first words are inaudible in the source; the call is printed from the recording as ‘Yes, Honourable Member for St. Philip North.’

Q5. Order No. 1, Hon. M. A. Lashley. The source reads ‘the member for Christ Church West has done in his sojourn as Minister of Transport and Works’. The Member for Christ Church West in 2013 was Dr. M. M. Agard of the Opposition; the previous Minister of Transport and Works was Hon. J. D. E. Boyce, Member for Christ Church South, and the recording is unclear. Corrected to ‘Christ Church South’; please confirm.

Q6. Order No. 1, Mr. D. D. Marshall. The source heads the opening words ‘At the outset I’d like to say’ as MR. SPEAKER and records no call. The speaker thanks the people of St. Joseph for returning him, and the recording labels him ‘Hon. Dale D. Marshall’, so the speech is printed under Mr. D. D. MARSHALL. The source’s own summary names ‘Mr. Ryan R. Brathwaite (St. Joseph)’, who was not a Member of the 2013–2018 House. The Chair’s call is not recorded.

Q7. Order No. 1, Hon. R. D. Jones. Headed ‘HON. RYAN R. STRAUGHN, M.P.’ in the source; he was not a Member of the 2013–2018 House. Mr. SPEAKER called the Member for Christ Church East Central, and the speaker thanks that constituency and speaks of his plans for

education, so the speech is printed under Hon. R. D. JONES. Please confirm.

Q8. Order No. 1, Madam Deputy Speaker. The source does not record the change of Chair; a line noting that Madam DEPUTY SPEAKER took the Chair has been supplied before her words of thanks. Her two interventions during the speech of Rt. Hon. O. S. Arthur are headed MR. SPEAKER in the source but are answered ‘Yes, Ma’am’ and ‘I am wrapping up, Madam’, and are printed under Madam DEPUTY SPEAKER. The source does not show when Mr. SPEAKER resumed the Chair; the call of the Prime Minister is left under Mr. SPEAKER. Please confirm.

Q9. Order No. 1, Hon. C. P. Sinckler. After Mr. SPEAKER’s intervention, the remainder of the speech is headed ‘HON. CHRISTOPHER D. L. GIBBS, M.P.’ in the source; he was not a Member of the 2013–2018 House. The speaker refers to himself as Minister of Finance and ends by moving the second reading, so the passage is printed under Hon. C. P. SINCKLER. The words ‘Mr. Speaker, sir.’ at the start of the Chair’s intervention have been restored to the end of his preceding passage.

Q10. Committee of Supply. Mr. CHAIRMAN is not named in the source; the Chairman of Committees, Mr. J. D. Paul, is presumed. The heading for Head 79 is supplied from the Clerk’s reading.

Q11. Committee of Supply, Hon. D. St.E. Kellman. The Chair’s call reads ‘Our member for [Inaudible.], Mr. Speaker, speaking on –’ in the source. The recording gives ‘member for Saluti’, and the Member who spoke was Hon. D. St.E. Kellman, Member for St. Lucy; the call is printed as ‘Honourable Member for St. Lucy.’ and the words ‘Mr. Speaker, speaking on Head 79’ are restored to the start of his speech.

Q12. Committee of Supply, Hon. D. O’N. Inniss and Rt. Hon. O. S. Arthur. The source reads ‘the MP for St. Louis’ and ‘the member for St. Lucia’. Both references are to Hon. D. St.E. Kellman, the former Minister of Industry, who had just spoken; corrected to ‘St. Lucy’.

Q13. Committee of Supply, Mr. Chairman’s calls. The calls before Hon. A. D. Brathwaite and Hon. S. A. Lashley are incomplete or inaudible in the source; they are printed with the constituencies the recording gives at the start of each speech (St. Philip South and Christ Church West Central).

Q14. Committee of Supply, Hon. S. A. Lashley. The source runs Mr. CHAIRMAN’s direction into Hon. S. A.

Lashley's speech and does not print the remark he was asked to withdraw. The exchange is set out as the recording gives it; the withdrawn word is not printed.

Q15. Suspension. The House did not adjourn. On the motion of Hon. J. D. E. Boyce the Sitting was suspended until 2.00 p.m. on Thursday, March 21, 2013, after progress was reported in Committee of Supply.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The House of Assembly resumed on Wednesday, March 20, 2013, the Sitting of Tuesday, March 19 having been suspended, with Mr. SPEAKER presiding. The House continued the debate on the second reading of the Appropriation Bill, 2013 and the Estimates of Revenue and Expenditure for 2013–2014 (Order No. 1).

Dr. M. M. Agard, speaking as a new Member, thanked the people of Christ Church West, criticised the Estimates for the \$1.3 billion excess of expenditure over current revenue, raised the under-provision for the Queen Elizabeth Hospital and care of the elderly, and cautioned the Government against treating the NIS fund as its reserve. Hon. M. A. Lashley, Minister of Transport and Works, spoke of an \$80 million road and infrastructure package, a new bus terminal at Cheapside and the redevelopment of the River Bus and Fairchild Street terminals, and answered Opposition Members on Country Park and on the payment of Barack. Mr. D. D. Marshall said the provision for the Scotland District, including one million dollars for the Joseph and Thompson Bridges, was derisory. Dr. the Hon. D. C. Estwick analysed the structure of the economy and said that natural gas could cut the cost of electricity from 90 cents to 40 cents per kilowatt hour and that the industry restructuring project would generate 25 megawatts from sugar cane. Mr. R. St.C. Toppin criticised the \$600 million stimulus as almost wholly capital works and said the Government had paid \$120 million to two bondholders on the Four Seasons guarantee; the Prime Minister, Hon. F. J. Stuart, rose on a point of order to deny that he had spoken of drug lords. The House was suspended for lunch until 2.00 p.m.

On resumption Hon. R. D. Jones, Minister of Education, compared the investment of national insurance funds in other countries and said six nursery schools would be built and a new secondary school begun at Bedville, Christ Church. Madam DEPUTY SPEAKER then took the Chair. Rt. Hon. O. S. Arthur said the deficit of 6.6 per cent was worse than the worst case of 6.2 per cent in the Government's medium-term fiscal strategy and criticised a 60 per cent increase for NEAT Barbados while tourism and international business were short of resources. The Prime Minister said the Government's vision was of a Barbados socially balanced, economically viable and environmentally sound, and that Barbados was working.

Replying, Hon. C. P. Sinckler, Minister of Finance, said the education allocation under Head 77 was \$499 396 266 and that the figure cited from Table 5 was a typographical error, defended a marina, a cruise pier and a water augmentation project, said the Four Seasons project was a private project for which the Government had given a guarantee, and reported that GEMS had made a profit. The Bill was read a second time, and the House was suspended until 5.50 p.m.

On resumption the House went into Committee of Supply on Head 79, Ministry of Industry, International Business, Commerce and Small Business Development (\$36 647 979). Hon. D. O'N. Inniss set out the Ministry's three broad heads. Mr. K. D. Symmonds said the strategic plan for 2007 to 2012 was obsolete and that multiyear licensing promised in the Budget of August 16, 2011 had not been implemented. Hon. D. St.E. Kellman urged a non-partisan approach and support for local manufacturers through showrooms. Rt. Hon. O. S. Arthur raised challenges under WTO Article 27.4 and the taxation of sportsmen. Hon. A. D. Brathwaite cited the Cayman Islands, and Hon. Miss M. A. Mottley proposed a standing committee on international business and trade and a renewed presence in Shanghai. Hon. S. A. Lashley, after withdrawing a remark at the Chairman's direction, listed double taxation treaties concluded with the United Kingdom, Seychelles, Mexico, Panama, Luxembourg, Spain, the Czech Republic and Iceland. Progress was reported, and the Sitting was suspended until 2.00 p.m. on Thursday, March 21, 2013.