
THE

House of Assembly Debates

(UNOFFICIAL REPORT)

PARLIAMENT 2013 – 2018

HOUSE OF ASSEMBLY

Tuesday, January 17, 2017

Pursuant to the adjournment, the House of Assembly met at 10.00 a.m. on Tuesday, January 17, 2017.

PRESENT

His Honour M. A. CARRINGTON, B.A., LL.B. (Speaker)
Her Honour Mrs. M-J. M. THOMPSON, B.A., M.Sc. (Ph.Ed.) (Deputy Speaker)
Rt. Hon. O. S. ARTHUR, M.Sc. (Econ.)
Mr. G. W. PAYNE, Q.C.
Mr. G. A. CLARKE, J.P., B.Sc., Dip. Ed.
Mr. R. St.C. TOPPIN, LL.B. (Hons.)
Hon. D. St.E. KELLMAN, (Minister of Housing, Lands and Rural Development)
Miss M. A. MOTTLEY, Q.C., LL.B. (Leader of the Opposition)
Miss C. Y. FORDE, J.P., L.C.P.
Hon. R. D. JONES, J.P., B.A. (Hons.), M.A. (Ed.) (Minister of Education, Science, Technology and Innovation)
Dr. the Hon. D. C. ESTWICK, B.Sc., M.B. B.S. (Minister of Agriculture, Food, Fisheries and Water Resource Management)
Mr. D. D. MARSHALL, Q.C., LL.B. (Hons.), L.E.C.
Hon. M. A. LASHLEY, LL.B. (Hons.) (Minister of Transport and Works)
Hon. R. L. SEALY, B.Sc., M.B.A. (Minister of Tourism and International Transport)
Hon. F. J. STUART, B.A., LL.M. (Prime Minister, Minister of National Security, the Public Service and Urban Development)
Hon. J. D. E. BOYCE, M.Sc., C. Eng. (Minister of Health) (Leader of the House)

Hon. S. D. BLACKETT, (Minister of Social Care, Constituency Empowerment and Community Development)

Mr. J. D. PAUL, B.Sc. (Chairman of Committees)
Dr. the Hon. D. S. LOWE, Dip. Theology, B.A., M.Ed., Ed.D. (Minister of Environment and Drainage)
Hon. A. D. BRATHWAITE, LL.B. (Hons.) (Attorney-General and Minister of Home Affairs)
Hon. S. A. LASHLEY, B.Sc., LL.B. (Hons.), L.E.C. (Minister of Culture, Sports and Youth)
Hon. D. O'N. INNISS, Dip., B.Sc., M.B.A. (Minister of Industry, International Business, Commerce and Small Business Development)
Hon. C. P. SINCKLER, B.A., M.Sc. (Minister of Finance and Economic Affairs)
Mr. T. A. PRESCOD, B.A.
Mr. K. D. SYMMONDS, B.A., LL.B.
Lt. Col. J. D. BOSTIC, MVO, B.A. (Hons.)
Mr. E. G. HINKSON, LL.B (Hons.) LEC, LLM
Dr. M. M. AGARD, J.P., B.Sc., M.Sc., D.D.S
Mr. D. G. SUTHERLAND, B.Sc., M.Sc., MBA (Dist)
Miss S. J. O. BRADSHAW, LL.B. (Hons.)
Prayers were taken by Reverend Mark Harewood.

Mr. SPEAKER: Good morning Honourable Members, this Sitting of the House is now in session. Let me take the opportunity to welcome you all back from the holiday break, and I hope that we are all refreshed and ready to continue with the people's work.

MINUTES

Mr. SPEAKER: Honourable Members, I have with me the Minutes of our Meetings held on Tuesday, December 06, 2016, Friday, December 09, 2016 and Tuesday, December 13, 2016.

Hon. J. D. E. BOYCE: Mr. Speaker, I beg to move that the Minutes for the Honourable the House of Assembly for its Meetings of Tuesday, December 06, 2016,

Friday, December 09, 2016 and Tuesday, December 13, 2016 be confirmed subject to any omissions, corrections and/or observations.

Hon. A. D. BRATHWAITE: I beg to second that, Sir.

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

PAPERS

Mr. SPEAKER: Yes, Honourable Minister of Finance.

Hon. C. P. SINCKLER: Mr. Speaker, I am commanded to lay the following:

1. Fair Trading Commission Annual Report, 2016; and
2. Enterprise Growth Fund Limited Annual Report, 2016.

Mr. SPEAKER: Yes, Honourable Attorney-General.

Hon. A. D. BRATHWAITE: Mr. Speaker, I am commanded to lay the following:

1. The Barbados Fire Service 2015 Annual Report; and
2. The Barbados Prison Service Annual Report, 2015.

Mr. SPEAKER: Yes, Honourable Leader of the House.

Hon. J. D. E. BOYCE: Mr. Speaker, I am commanded to lay the Barbados Agricultural Management Company Limited Twenty-second Annual Report and Accounts for the year ended June 30, 2015.

GOVERNMENT NOTICES

Mr. SPEAKER: Yes, Honourable Leader of the House.

Hon. J. D. E. BOYCE: Mr. Speaker, I beg to give notice of the International Bank for Reconstruction and Development Membership Bill, 2017.

FIRST READING OF BILL

On the motion of Hon. J. D. E. BOYCE, seconded by Hon. A. D. BRATHWAITE, the following Bills were read a first time:

1. The Notaries Public Bill, 2017;

2. Banks (Tax on Assets) Bill, 2017;

3. Tax on Assets Bill, 2017; and

4. The International Bank for Reconstruction and Development Membership of Barbados Bill, 2017.

ORDERS OF THE DAY

SUSPENSION OF STANDING ORDERS

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

Hon. A. D. BRATHWAITE: I beg to second that, Sir.

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

GOVERNMENT BUSINESS

ORDER No. 17

HOLIDAYS WITH PAY BILL, 2017

Mr. SPEAKER: Yes, Honourable Member for St. James South.

Hon. D. O'N INNISS: Mr. Speaker, I wish to serve notice or rather to get your consent that since Bill No. 18, the Labour Department (Amendment) Bill, 2017, is relatively close to the Holidays With Pay Bill, 2017, that they be taken as a cognate debate.

Hon. A. D. BRATHWAITE: I beg to second that, Sir.

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

Mr. Speaker, these Bills before us today, if I focus initially on the Holidays With Pay Bill, 2017, is to be construed as a manifestation of Government's continual commitment to enacting and bringing into being the necessary reforms to bring Barbados' arrangements into the 21st Century and to be done in a manner that really ought not to do any harm to either employer or employee but to provide the best kind of environment for us to maximise labour productivity in Barbados ever cognisant of the fact that we need to protect the rights of employees at all steps of the way without compromising on the rights of employers.

Mr. Speaker, it is also significant because it is a reflection of Government's efforts to sustain the tripartite

arrangement that has been in place for many years. We must give credit, Mr. Speaker, to the leadership of the former Prime Minister, Sir Lloyd Sandiford, who in the late 80s and certainly in the early part of the 90s made this tripartite arrangement a fundamental part of Barbados' social and economic development programme and today in 2017 it continues to be the bedrock of all of our efforts at the Government's end to bring the most enlightened pieces of legislation to Parliament and into the administration of the affairs of the State by ensuring that at all times we engage fully with private enterprise and with labour to ensure that we represent the views of all concerned.

Mr. Speaker, our consideration of matters like these must be seen within the context of what are the demands of labour and what are the demands of the private sector in Barbados and a Government from a macro perspective that is willing to respect the views of all and to coalesce and bring them all together in a manner that ensures that we continue to have growth and development in our economy and society.

It is also, Mr. Speaker, to be seen from the context of creating and sustaining the best environment for the private sector to achieve their goals for growth and development. Mr. Speaker, just to stress on that a little bit, because we may be critical from time to time, the reality about it is that when we speak about private sector growth or private sector led growth in the economy it does not mean that the private sector has to do it all, it really means first and foremost that the State is providing the best enabling environment for private enterprise to achieve their full potential.

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Mr. Speaker, therefore, our Labour legislation, for example, becomes very critical because in so doing, we bring great clarity as to what are the fundamental issues that govern labour arrangements in a country, an economy or a society like Barbados; what are the mechanisms for redress where grievances may occur; and certainly to ensure that we have the requisite staff and administrative arrangement from a Government perspective to address those issues, so that private enterprise has a sense of certainty within which to operate when engaging employees in the country and certainly from the other issues that relate directly to the State in settling that enabling environment.

Mr. Speaker, it also means that the State, on the other hand, is creating and sustaining the right kind of engagement for labour to be fully engaged. Mr. Speaker, what do we mean by the right kind of environment for labour to be fully engaged? It means that either by way of legislative reforms or legislation, generally-speaking, along with the ability to police and to administer such, to ensure

that labour is provided at all level in a safe and secure environment that allows them to achieve their full potential. Sir, it is accepted that if left up to individual employers in any society they would perhaps do what they consider to be the bare minimum for their own interest and may find themselves in a position where labour is tremendously disadvantaged, and sometimes because of economic circumstances labour feels compelled to put up with less than satisfactory environmental conditions and other circumstances. Therefore, it is the role of the State to ensure that we provide, through legislation and other arrangements, the kind of minimum standards that are expected of employers in any society, so that our labour force can feel very safe and very secure in the workplace and let that be one of the main pillars that will help them to achieve their full potential as individual workers. Of course, the State provides so many other things to help that to occur.

Mr. Speaker, this discussion must also be seen within the context of the Government's continued efforts to further diversity and to grow this economy while, at the same time, ensuring that we reflect continuously upon the fact that Barbados is not just an economy, it is also a society and so we are duly-bound to ensure that we provide the right kind of quality of services for our citizens to achieve their full potential as well.

Mr. Speaker, it is certainly a very multifaceted approach that we looked at. I do not think that we can come to debates like these and just focus exclusively on what the legislation says or on what is written in black and white but more importantly, to understand the macro environment within which we are functioning, what are the overall goals of the Government in such legislation, how it relates to other aspects of our economy and society, so that when we really wrap our minds around the specific piece of legislation, we clearly understand the environment within which we are functioning, the thought processes that have gone into it and what we want to achieve overall within the State and society.

Mr. Speaker, I stress on that because far too often I have seen and participated in debates here and in other places where we zero-in on the piece of legislation before us and do not guide our thoughts towards how it relates to other parts of the group that we are not necessarily directly addressing. Then when we come to actually the enforcement, there is the recognition that perhaps we did not speak forcibly to the environmental issues.

Mr. Speaker, Barbados can today boast of having a wide collection of labour legislation that governs labour in this country. What concerns me, though, is that there is no consolidated piece, I think perhaps that they are scattered a bit too much and maybe the time has come for us to really and truly consolidate a lot of the labour legislation and put

them in a manner that is easy to be accessed and to be utilised by lawyers, labour, employers and employees. Mr. Speaker, over the years we have developed quite a bit of legislation on labour issues and sometimes one may sense that we are not really and truly sitting down and reflecting upon where there are areas of conflict, how one relates to the other, and how we could codify and make them perhaps a little bit more simple for all to utilise.

Mr. Speaker, when I speak of the range of labour legislation in Barbados, or when one does a reflection on them, there is a great appreciation of the fact that they, really and truly, over times have captured how successive Governments have stood steadfast in their commitment to protecting workers in Barbados. We go back to the Labour Department Act, Cap. 23, which we would also address in this debate, which provides for the duties of the Chief Labour Officer and other officers of the Ministry of Labour and for related purposes. Mr. Speaker, if we could just stick a pin there, it is important that the State provides the right kind of administrative arrangement that can ensure that any labour legislation is effectively administered, that the resources of the State are brought to bear in a very fair and perhaps one can argue free manner for the benefit of all concern. Mr. Speaker, it is very important that we would have had that Labour Department Act and today, Mr. Speaker, with the support of this Honourable House, we are going to make some amendments that relate to penalties under this particular Act.

We also have at Cap. 42, the Occupation Training Act and its subsidiary legislation which provides for the training of persons for or in gainful employment in occupation in branches of economic activity in Barbados. Mr. Speaker, there again, this is visionary enlightenment at the point in time, the fact that we do have legislation that really speaks forcefully to the issue of occupational training and development in Barbados.

Mr. Speaker, perhaps the most instructive, I believe, is at Cap. 47, the National Insurance and Social Security Act and of course the subsidiary legislation that established a system of national insurance and social security for Barbados, providing payments by way of sickness benefits, maternity benefits, invalidity benefits, funeral grant, contributory grants, pensions. Sir, it provides a whole range of services and let the Democratic Labour Party take credit for effectively bringing that back in 1967. Mr. Speaker, I keep stressing all the time, whatever licks that you may want to enforce, let us accept that under this Government, particularly since 2008, this Parliament has dealt more with labour legislation reform than any other Government since the late 1960s. We can always reflect on the pieces of legislation that we have brought, perhaps the most significant one that will stick in the minds of some is the Employment Rights Act, but there are several other pieces of legislation that we have brought to bear because the

Government is committed to ensuring that we protect the rights of workers in this country, without disadvantaging employers across the board.

Mr. Speaker, I believe it was in 1967 when we created the National Insurance and Social Security legislation because the Government of the day, under the leadership of the late Right Excellent Errol Walton Barrow, accepted that the State have a duty to provide a National Insurance Scheme because there were and still remain many individuals in our society whom without such a scheme they could not provide for pensions in their old, they could not protect themselves in the event of illness, as there is no one else to turn to.

Mr. Speaker, certainly when it came to legislation that relates to women issues, let us face it, it was the Democratic Labour Party that has certainly brought some of the most far-reaching pieces of legislation in respect to the rights of women in this country. Certainly, the enforcement and provision of maternity benefits was a significant step and continues today to be very, very important as we grow out this society. The fact that women are able to get some kind of financial help from the State through a National Insurance Scheme in cases of pregnancy and leave from work is also very significant.

10.43 a.m.

Not all individuals in this society can afford private pension plans, and not all can afford private health plans; so the reality about it is that by taking a little piece from each individual, we are able to provide for the collective. We are able to ensure that all of those in this society who work and contribute towards our National Insurance Scheme are able to benefit. Of course, there are those who would want to make all sorts of comments about the solvency of the entity and so on, but let us not engage in scare tactics. The reality about it is that it is a very solvent fund. There are several funds administered by the National Insurance Department. Over time, we have had to create new funds to address either existing challenges or perhaps other challenges that we envisioned could occur in society. At the end of the day, by asking each worker to make a contribution, we are able to do that. Mr. Speaker, this is significant because once again it touches at the bedrock of providing the best environment for labour to achieve its full potential. A worker who is thinking of his future and of safeguarding his children's future is now able to perhaps be a more productive employee; being cognisant of the fact that everybody is contributing towards providing a safer environment in case something happens going forward.

Mr. Speaker, we also had the Domestic Employees' Hours of Duty Act which dealt with the hours of duty of domestic employees, the Employment Exchange Act, and the Employment of Women (Maternity Leave) Act which

provides for the grant of maternity leave to female employees and for the protection of the employment of those employees during such leave. Here again, while we are dealing with a 2017 Amendment, particularly one involving holidays with pay, it must be seen still within the context of providing that best environment. That is why when this Employment of Women (Maternity Leave) Act came into being, Chapter 345A, it was significant at the time. It was not so long ago, Mr. Speaker, because some people behave as though these things go back to 60, 70, 80, 90, a hundred years ago. One must be cognisant of the fact that when these pieces of legislation came into being, women who were pregnant were treated pretty much as unwanted employees, and in some instances were dismissed from work or not encouraged to return to work. I am just talking, perhaps, about my parents' generation; and it reflects upon the manner in which women have been treated over time in our society and the fact that the State has been able to bring the kind of legislation over time to safeguard that particular group of our workforce as well.

Mr. Speaker, we also have Chapter 348 of the Holidays with Pay Act which we are going to deal with today, the Labour Clauses Public Contract Act and of course the Protection of Wages Act, and others such as the Recruitment of Workers Act, the Severance Payments Act, the Shops Act which made provisions relating to shops, and the Safety and Health at Work Act. There are also some minimum wage pieces of legislation which had come about over time, and there is a Bill on the Order Paper which will also address that, Mr. Speaker. I will deal with that today, hopefully, if time permits, in a separate Debate when we address the issue of an Advisory Board to address the issue of minimum wage settlement and guide in Barbados.

Mr. Speaker, we also dealt with the Trade Disputes Arbitration and Inquiry Act and the Trade Unions Act, recognising that while workers, generally speaking, have a right to join a trade union, it has become necessary over the last 50 years or so to bring legislation to Parliament to ensure that there is a greater level of recognition of the trade union and the organised labour movement in Barbados, and that we are able to address that. The Trade Union Act, Chapter 361, consolidated and revised the laws relating to trade unions in Barbados. Mr. Speaker, we also had in 2012 the Employment Rights Act, and that was, I remember very well, a very formidable Debate here in Parliament. It conferred on employed persons new employment rights, including the right to a statutory minimum amount of notice of termination for both employers and employees, certain rights for employees including the right at the commencement of employment to a written statement of the particulars of the employment, and also some salary issues, dismissal issues and the provision of the Employment Rights Tribunal to address some of the issues which otherwise, perhaps, would have

been bogged down in the law courts or not attended to in a manner which we thought necessary today.

Mr. Speaker, successive Administrations of Government have certainly provided over time the kind of enabling environment, through legislative reforms, to address the issues of employer and employee rights in Barbados. One of the issues, of course, which stills bedevils us occasionally relates to the issue of holidays with pay. We know that there are fundamental arrangements in place and, generally speaking, they have served us well over time; but listening to the complaints of both employees and employers, the State has found it necessary to get to the point today where we must bring clarity as to the kind of arrangements that ought to inform the determination of holidays with pay, how the pay is to be computed, and the rights of employers and employees enshrined therein, either in law or understood through contractual arrangements.

Mr. Speaker, let me say that we have got here today after several years' deliberation. This did not start with the Democratic Labour Party Administration of 2008. I believe that there were discussions around the issues going as far back as 2004-2005. Of course, recognising that several cases have been tested in the law courts around these issues and so on, the State has found it necessary to be fully engaged with all to get to this point. I am advised by the Ministry of Labour that this legislation, this draft Bill, has been determined through some very robust discussions with all parties, and remember at the very beginning of my comments here in Parliament today that I stressed on the fact that the Government continues to engage through the tripartite arrangement in arriving at significant policy changes in our economy and society. That is something we must readily accept and continue to support, so this discussion around holidays with pay and reforms enshrined therein has emanated from discussions within the Social Partnership arrangement. We have benefited tremendously from the input of organised labour and also disorganised labour, let me add, because not all employees are members of trade unions. Hence, while we engage with the organised labour arrangement, as politicians we must always be cognisant of the perspective of those who may not yet find themselves in an organised labour arrangement.

Of course, they also would have been considered and advised by the private sector; whether it is the Chamber of Commerce, the Private Sector Association or the Employers' Confederation. It is my understanding that all parties were consulted widely, and we have got to the point today where we have this Bill before us. Let me preface this by saying that you cannot reasonably expect that all parties would agree on everything. The message must go forth that what is important is that the right kind of mechanism had been put in place and has been sustained over the years to ensure that all parties who have a vested

interest in these issues get the chance to have their views espoused. At the end of the day, we will not or may not all agree on the decisions of the State, but let it not be said that the State does not engage fully with all parties.

Mr. Speaker, we are at this point where perhaps I can zero in a bit on the specific legislation: the Holidays with Pay Bill, 2017. While the document then becomes a Document of the House and becomes law, once passed here and in The Other Place, let me say that this Bill is proposed to repeal and replace the Holidays with Pay Act to make better provisions for the granting of annual holidays with pay to employees.

10.41 a.m.

INSERT S4 JULIETTE

Tuesday, January 17, 2017

Hon. D.O'N. INNISS: There are other jurisdictions where you cannot get access to decent health care facilities after 6.00 p.m. Could you imagine if our taxi services, for example, in the private enterprise did not provide access to their services after 6.00 p.m.? Could you imagine if our police force decided that at 4.30 p.m. nobody is going to answer the telephone? Could you imagine if a guest getting out of bed at 1.00 a.m. and needed the services of the Front Desk, who said sorry check back at 8 O'clock in the morning? I suspect those tourists would go to other destination for their services. So we do have in Barbados over the years several established organisations and occupation and arrangements that do take into consideration the 24/7 thing. I would like the rest of Barbados to move with a greater sense of urgency towards that.

I am mindful that every time we talk about these things you hear some people say Oh we need a 24/7 public bus service. I do not necessarily accept that. They are some who would say you need 24/7 day care facilities. Well, that to me is the kind of thinking which can only be informed by those who refuse to step out of the 20th century. The reality is, once you have more flexible work arrangements and longer opening hours for some establishments in our jurisdiction, they create opportunities. Opportunities for one partner to be at home during the day, perhaps with a child, and the other one to be at work. Then you reverse the roles accordingly. We must at least not shut down conversations about such, because some people want to be very emotional about the fundamental issue.

I am satisfied, Mr. Speaker -- I am sure the Government on the whole, we are satisfied that this is the way we have to go, to make Barbados a far more productive society.

It also means, and I sought your permission, Mr. Speaker, to address the whole thing. It also means that some of our state owned departments, some of the departments of Government, must stop this thing of closing at 4 O'clock in the evening. We must really and truly become flexible in our thoughts and our actions to the point where some Government departments may open at 7.30 a.m. and close at 7.30 p.m. There are some that are suited to that. We have a situation now where everybody close at 4.00 p.m. even though they are supposed to close at 4.30 p.m. in both public and private sector, then we wonder why there is so much traffic congestion around the place. When the truth of the matter is, had we staggered work hours in both public and private, we would find we will have a far more dynamic, far more productive society.

Also, Mr. Speaker, I have to stress on this because it really annoys me a little bit when you go to some departments in the public and private sector at lunchtime, it seems as though everybody is out to lunch. I have had to take my lunch hour to do business to get there to realise there is only one cashier because the other three are at lunch. Then you realise you end up spending time doing a transaction that really if everything is working well could be done in 15 minutes.

The other point I must stress, Mr. Speaker, is not always about the quick and modern solutions, about having individuals. A 24/7 society also means that we have rapid deployment on a sustainable basis of technology. Much more in Barbados needs to be done online, real time, and not believing everything is about going and standing in a line for half of an hour or an hour to do a transaction. It amazes me when I reflect upon the statistics of the International Telecommunication Union which shows in terms of connectivity access to technology, internet, et cetera, Barbados is number 3 in the Western Hemisphere after the United States of America and Canada. Yet still we are quite a bit behind when it comes to the effective use of such technology. So it means that everybody in Barbados has a cellphone or 2 or 3 cellphones, they have a data plan, they have smart TVs, they have all of these things, WhatsApp or whatever, so the infrastructure is there. The fundamental infrastructure for Barbados to move rapidly along the information super highway is all in place, but what seems to be deviling us is the ability to use that technology to increase productivity in this economy and society. That, Mr. Speaker, is a matter when I speak about the overall environment, the macro environment within which we have to engage in these kinds of conversations, that is what I am speaking of as well. Not just vacation pay/holiday, but the overall work environment we have in this society and how we can really restructure it in a sustainable manner.

Mr. Speaker, work arrangements today in other parts of the world that are quietly creeping into Barbados must

be considered when we are addressing matters such as vacation leave. Mr. Speaker, more and more of our society, more and more of the world is getting to the point now where individuals are able to sit at home and do their work. They do not have to get up and go to an office, punch in a card, sit behind a desk and turn on a computer and work. It begs the question how do we ensure through legislative arrangements that such employees are also protected, as we seek to protect those who are the traditional brick and mortar environment. I am still concerned that a lot of our thinking revolves still around that brick and mortar work environment where you can see individuals, where you can touch them, where you can walk to the office, where you can go in the lunch room and have a conversation with them, but it is not necessarily reflective of the changing work environment where more and more individuals are working out of a physical office, working from home, commuting around the island or the world and therefore perhaps there is less direct supervision often going forward.

We can say these matters can be captured in a contract of employment between employer and employee, but I suspect the State is going to have to weigh in on those changing working arrangements and ensure that legislatively we have the right kind of protection provided in law for such individuals going forward.

Mr. Speaker, it also means when we talk about the macro environment the issue of productivity. Today we may all get excited about vacation leave and holiday leave, et cetera, but there is a fundamental issue Barbadians have to wrap their minds around in a very forcible manner which is the issue of productivity. I want to thank the National Productivity Council, NICE and all of those organization for their work almost seemingly tirelessly and sometimes without great thanks in bringing the issue to the fore and keeping it there. For being bold enough to finding mechanisms that allow them to measure productivity across various sectors. Only last night in researching and dealing with another issue I came across some figures that looked at productivity, the construction industry, productivity in the hotel industry, and they were very instructive. Those who have a feel for statistical analysis certainly would find them to be very intriguing, but fundamentally it tells me that we have reasons to be concerned about productivity in Barbados.

Sir, I say that not in a manner to be critical of any one sector over the other because it is a national issue. At the end of the day whether it is a business or Government you make a certain level of investment in particular sectors. You provide a level of human resource, you provide a level of financial support and you expect a certain level of output. When that investment is constant but you find that outputs start to fall, the reality is, productivity is not where it should be. That is where business people and Governments have to make informed decisions. How do

you boost productivity? If you make further investment in terms of financial resources, technology or human resources, that may just be spinning top in mud.

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You may very well find that you really and truly made a bad situation worse. At the individual firm level, of course, there are those who would tell you these redound to the issue of good human resource management practices which I suspect, Mr. Speaker, is not yet at the level we ought to have in Barbados in both the Public Sector and the Private Sector. Too many agencies and enterprises in Barbados are still focusing on the fundamentals of personnel management and administration and not putting themselves up into the realm of good human resource management where you are really now looking at the organization, looking at where it wants to go and the importance of the human resource they are in, understanding the dynamics of your individual employees, helping each one to achieve their full potential within the context of the overall objectives of the firm, but instead they are still focusing so much on sick leave, maternity leave, vacation leave and those administrative arrangements. Whilst there are important they may not necessarily allow you to look at the big picture issues that really can drag your firm forward. Now you can extrapolate that from the firm level, into the macro level where you realise there is a national issue to be addressed.

Mr. Speaker, productivity is therefore a significant issue we in Barbados cannot run away from. As politicians we hear about it every day. We encounter people who tell you, "Look Boss I just aint feel good this morning so I am not going to work." You find there is a pattern where that occurs over and over again. Do you know what? When they are fired they come to you and say they have been unfairly dismissed.

We also have too many instances where individuals find all reasons not to go to work, not just health issues. Your birthday is coming up and therefore you decide today is your birthday so you are not going to work, but you are going to stay home and spend money you wished you had not spent another month down the line. So birthday is on so you are not going to work. What do you do? Stay home and watch television? I do not know if that is a great way to enjoy your birthday. They are those who say it is their anniversary. Well if it is their anniversary, unless it is a wedding anniversary. I would like to think you should be able to go to work and make the money to buy that extra gift or take your partner to dinner. If you are like me, if you got any special occasions and things tight, you stay home and cook. Sometimes that is far more appreciated than going to a fancy dinner elsewhere. You know we do not cook too often, but when we do sometimes it is really appreciated, at least the effort. Even if you take Diovol

before or some antacid before you eat. Mr. Speaker, not to belittle the issue, but there is perhaps, and I speak anecdotally, too many instances creeping into our society where people are finding every little reason not to go to work. I am not knocking the workers. It may very well be a reflection of what is taking place or what is not taking place in the work environment. If you have uncouth leaders or managers you cannot expect someone to go to work and be productive, or feel like getting out of their bed to deal with a crummy boss every day. If the environment is one that is prone to hostility am I going to really want to leave my house every morning and go to a workplace where I do not feel safe? If I have not been given a compensation commensurate with my work over the last five years or so, do you really feel that I have the drive to do things? If, as I said earlier, we do not have the other arrangements in place in terms of the provision of services and extended work hours and those kinds of things, people stay home.

Mr. Speaker, let's be frank about it. All of us know individuals who would go to work late, sometimes half day, because they have to do certain things in Government. They have to take the half day off to renew their drivers licence or pay their road tax, or go to the Queen Elizabeth Hospital to make an appointment to come back later, or even to come to the Ministry of Commerce or to Corporate Affairs to get some things done. I am saying none of us is perfect. We have our work to do, but what must inform us is a commitment to have better customer service, and to recognise that if we are more efficient in some of these areas, productivity and other aspects of our society and economy also increase as well.

Mr. Speaker, there is also a growing issue in our society in something called presentism, where individuals go to work, they clock in, they are at work but it would have been better to stay home because they are not producing. They are present but they are not performing. I am not speaking about Members of the Opposition. I am talking about a wider context within our society. Those who report for duty, clock in because they know if they do not clock in they are not going to get paid. If you are not seen in the office you are not going to be paid, but the files on your desk are the same files that were there last week and the week before.

Asides.

Hon. D.O'N. INNISS: You have not been in my office so you do not know. I do a lot of work electronically.

Mr. Speaker, the reality is, that too is a serious issue. When that occurs, while it is identified and measured as the duty of those who are responsible for human resource management to understand what it is that is causing that. Not to say to the employee, you are a bad worker. Not to say to the employee I am going to fire you, but to sit with

that employee and try to understand why it is you are clocking in here every day but your production level is so low. Sometimes it may just be a simple matter. You may have had a row with another employee there and it has just festered all along. Or the Boss may have said something to you six weeks ago that has turned you off. This is why I keep saying all the time that human resource management in a Barbadian society is so critical at the frame level also at the national level. We have to take it a lot more seriously than we do, Sir.

Just reflecting now, Mr. Speaker, on the Bill before us. The issue of total remuneration is a weighty matter. I think before we would have just looked and determine holidays with pay at the fundamental wage rate and such like, and not necessarily the total remuneration package. We know they have been matters tested in court for example with the insurance industry that looked at employee arrangement and whether they are self-employed, et cetera, but there are also other issues that have evolved in this contemporary time, where work arrangement and compensation arrangement is not just based on a salary or a wage, but a number of units sold and the commission earned therein and perhaps you work in a team, a group, and therefore at the end of a period you determine the compensation to be given to the group and by extension yours. For example the hotel workers and the service charge that is received and then dividend among the hotel workers. That sometimes is even more than what your fundamental wage is. It is important because it is an incentive for increased productivity within the firm at the firm level, but we are saying here now that such must be included when one is determining your holiday pay within the firm environment.

Sir, within this Bill, total remuneration means the total sum paid to an employee in respect of the labour or services performed for his employer, under a contract of employment, being the sum of his basic wage together with the sum for services done or performed on a Sunday or public holiday where the contract these days is part of the standard work period. So, we still have in Barbados today where Sundays and public holidays are considered as days in many a context where special work arrangements ought to apply or special compensation ought to apply within, and we are saying not just your basic wage is computed in your annual holiday pay but also this to be considered.

Also to be added to that is a commission or incentive payment or any other sum paid based on the productivity of the employee where that sum is paid together with the basic wage or, paid in a similar manner of salary or wage of the employee.

Sequence 6

Mr. Speaker, that, as I said earlier, is very, very important because a guy may work for a basic wage of \$150 a week as a salesman just to cover perhaps fuel but then be told he is going to be given 20 per cent of the value of each unit sold and the amount earned on a weekly basic may actually be another \$300 or \$400, so we are saying hitherto that in computing the vacation pay perhaps enough emphasis was not placed on that additional compensation derived from that incentive activity, and now we are saying no you have to include your basic wage and your average income over whatever period it is to arrive at the vacation pay therein.

Let me say, Mr. Speaker, that this is not novel. Many firms in Barbados have been doing this over the years but we are saying now to let us bring certainty to it by way of enshrining it in law through our Parliament to ensure that going forward for those who are going to be negotiating or renegotiating contract arrangements for employment that such is now an Act that we can say is part of law and therefore you have no choice but to do.

We also, Mr. Speaker, recognise that apart from the cash value of these inputs, basic wage and other incentive compensation, boarding or lodging provided by an employer, which shall be paid at a rate as specified in the First Schedule unless in the terms of contract et cetera, is also to be included as well as meals. Mr. Speaker, there are some instances in Barbados still where employees are given lodging or an allowance for lodging or boarding and also for meals and therefore we are saying that such must be valued and reflected upon in arriving at your compensation for your vacation pay or holiday pay going forward.

What is not to be included, Mr. Speaker, is a discretionary payment of any kind paid by an employer to an employee. We say that because there have been times when an employee will say but boss three months ago you gave me an extra \$500 with my pay pack and now you do not want to include that as part of my average pay over the period so that my vacation pay should be boosted perhaps by an additional \$50 or whatever, and we are saying that where it is a discretionary payment from the employer to the employee it is not to be included as part of your holiday pay.

Mr. Speaker, I expect that the legal minds would perhaps want to weigh in heavily on discretionary pay and there may be some who may want to say well instead of an incentive bonus or a productivity bonus or whatever I am going to give you a discretionary pay, let me say to you that we have competent labour officers who know these things and know what to look for so I would advise all and sundry to exercise great discretion with discretionary pay in your firm so as to ensure that you do not feel the wrath or

the weight of other officers who may be forced to weigh in on such going forward.

Mr. Speaker, we also brought to the fore the issue of the year of employment which basically means a period of 12 months during which an employee has performed labour or rendered services for the same employer and where the employee is employed on a weekly or fortnightly basis et cetera, and other than a weekly fortnightly or monthly basis, the year of employment shall be a minimum aggregate of 150 days working days, so those, Mr. Speaker, captured the fundamental explanation of terms that guide the Bill before us today.

Mr. Speaker, I turn my attention now to the annual holiday of the employee and the administration of it. We are saying at Section 3 (1) that the Chief Labour Officer shall be responsible for the application, administration and enforcement of this Act and for such matters as the Minister may direct. Mr. Speaker, it is important therein as per usual that we emphasize the office within the public sector that is responsible for the administration of the Act, and there is no doubt whatsoever in this case that it is the Chief Labour Officer so I expect that he or she will receive or investigate any representation made to them however made to them but preferably in writing in terms of matters arising from it and provide information and advice to employees and employers on the application of this Act.

In so saying, Mr. Speaker, it says that the Chief Labour Officer shall provide information and advice to employees and employers on the application of this Act, but I hope that people do not start going to the Chief Labour Officer Office with draft contracts of employment saying I want you to advice on these contracts, that is not the duty of the Chief Labour Officer, he is not to be the attorney-at-law for every private enterprise in this country or State enterprise per se. Whilst he can provide advice of a general nature I expect that one would respect and accept that his role is not to be the chief legal counsel on administrative arrangements that derive from a contract between employer and employee, but to provide a broad interpretation of such. Now, one could argue and say that he or she may take the easy way out and direct you towards where you can find a copy of the legislation but I suspect one may be able to get a little bit more from it occasionally.

Mr. Speaker, it is also instructive that under this Bill the Chief Labour Officer has been given the authority to enforce the provisions of the Labour Department Act and the Employment Rights Act as far as applicable to the provisions of this Act. Mr. Speaker, as I say it is being done in a conjunct manner with the amendments to the Labour Department Act because we want to ensure that the Chief Labour Officer is not just named by title but also has the power vested in him or her to enforce the Act. As we see going forward that enforcement is in part derived from

the Employment Rights Act as well as the Labour Department Act.

Mr. Speaker, one of the other issues relates to the issue of the grant of an annual holiday because it is not just about computing the amounts payable for vacation leave but also the circumstances under which one is entitled to vacation. There is no sense arguing about whether it is \$300 or \$1 000 in vacation leave without first understanding whether you are entitled to the leave at the point in time and the amount you are entitled to, so we have re-emphasized here that an employee who completes a year of employment with the same employer should be entitled to an annual holiday for a minimum period of three weeks, so one year of service then you are entitled to three weeks holiday, between the year and five years of service you are entitled to a minimum period of three weeks holiday and after five years, as we all ought to know, you are entitled to a period of four weeks within the firm. Mr. Speaker, this sets in concrete the amount of holiday that an individual is entitled to vis-à-vis the years of service provided to the firm.

Mr. Speaker, notwithstanding that, an employee may be granted an annual holiday which is greater than these periods provided that it is in the contract of employment between employer and employee. We all know that there are certain jobs or certain arrangements where even from year 1 you may even get six weeks' vacation. All we are saying is that by law you have to give a minimum of three weeks' vacation if you work between one year and five years with the same employer but that does not stop the employer from offering you more than three weeks' vacation per year providing you accept that, so we are not seeking to intrude upon the rights of an employer to enter into a contract with an employee to provide more than what the law stipulates as vacation. Mr. Speaker, there are some jobs where it is accepted that they are so onerous and so physically and mentally demanding that you give the person more than three weeks' vacation, except, Mr. Speaker, as you know for us Ministers we do not get any vacation leave or sickness benefit per se.

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We are a very strange and unique breed of people in occupation, but it is what we have signed onto. I am not complaining about it, I am only taking the opportunity to remind my friend, the Honourable Member for St. James Central, who has just returned from his eight-weeks' holiday that Ministers do not get vacation, that we work actually around the clock 24/7, 365. Ordinary Members of Parliament can take what they want, I guess.

Asides.

Hon. D.O'N. INNISS: Mr. Speaker, it is not just the contract of employment that can stipulate more than three or four weeks' vacation leave, it also where it is part of a collective agreement between the labour representatives and employers, that that becomes part of the arrangement, so where there is a collective agreement that employees get more than the stipulated amount due by law such is also accepted. Also, granted by way of custom and practice at workplace for his years of service as an employee. Therefore, there are some organisations where through customs and practice employees at certain levels in the organisation get more than the stipulated period. Sometimes firms do that as a way of reward to their employees. Of course, for those engaged in organised labour issues and collective arrangements and negotiations, et cetera, you want to know that it is indeed an established practice or custom. My only advice is that firms, wherever possible, would start towards moving it towards a more formalised arrangement going forward.

Mr. Speaker, one of the issues that have challenged us in the past is the frequency at which vacation can be taken within a year's period. We are saying at Part II Section 4 that:

"An annual holiday shall be given and taken in a single continuous period, unless the employer and the employee agree otherwise, and where they so agree, the annual holiday may be taken in two separate periods or in such periods as may be agreed."

Mr. Speaker, here we are seeking to give flexibility to say to employers that they do not have to give their employees vacation two periods per year, to say to them that if there are four weeks' vacation to which that employee is entitled they can take two weeks in January and two weeks in September. We are saying the employer can do that but that with an agreement on both parties the employee can now take vacation at different times a year, maybe up to four one-week sessions for example.

Mr. Speaker, my own experience has been that firms in Barbados have been pretty flexible and accommodating with vacation leave. I do not think this is a mischief that is borne out of any abuse of current arrangement but we are saying, look, it is significantly enough that we want to protect the rights of employers and the rights of employees and we therefore want to bring this into legislation, so that there is no disputing the fact that once both parties have agreed on a period of more than two times per year, that such vacation arrangements can be put in place.

Mr. Speaker, we also have emphasised at Section (5) that:

"An employer shall determine the date on which the annual holiday of an employee is due to commence and

shall give the employee no less than 14 days' notice of the date on which that annual holiday is due to commence."

Mr. Speaker, therefore, an employer must give an employee no less than 14 days' notice before vacation can arise. Of course, Mr. Speaker, I need to emphasise as I thought for my own clarity and perhaps for others as to what happens in terms of the employees, how much notice shall the employee give to the employer, but if you accept that under such contractual arrangements the employer determines that employee's vacation period, as an employee you can request vacation leave at any point in time but it is up to the employer to determine whether or not that is acceptable. Mr. Speaker, what is important is that the employer cannot now come to the employee one week or one day and tells an employee that he must take vacation the next week. The employer can do that but as the employee you have to accept it.

Sir, there are instances where in the firm, for whatever reason, sometimes not readily known to the employee, the employer may want the employee to proceed on vacation leave immediately. Mr. Speaker, the truth of the matter is that employees have rights, they may plan their vacation around the time of an event or to have a family arrangement and so for an employer to tell an employee to go on vacation tomorrow is a little bit not quite fair. Mr. Speaker, we are saying to the employer that he ought to give the employee at least 14 days' notice before that employee proceeds on vacation. The employee therefore has perhaps little choice than to proceed on vacation at that point in time but if that employee is given less than 14 days' notice, the laws of natural justice ought to prescribe that it is therefore the right of the employee to say no, that that does not fit with the employee's arrangement. Mr. Speaker, here again good Human Resource practices within the firm would mitigate against a lot of these issues that otherwise may be contentious.

Mr. Speaker, we also have addressed the issue of the employee giving notice to the Chief Labour Officer. At Section (6) it says:

"An employee may, where the notice required by subsection (5) has not been given, notify the Chief Labour Officer of that fact by an instrument in writing and the Chief Labour Officer may, where he considers it necessary in the circumstances, make a complaint in respect of the matter to the Employment Rights Tribunal."

Mr. Speaker, one of the other matters that we have frontally addressed here is the employee's entitlement to annual holiday to be granted within a six-month's period from the date of which the annual holiday is due to commence. The Act at Section (6) says:

"An employee who is entitled to an annual holiday shall be granted that annual holiday by his employer within a six-months' period from the date on which the annual holiday is due to commence, unless the employer and the employee agree in writing to postpone the annual holiday until a specified date; and

(b) The Chief Labour Officer is notified and submits his consent in writing in respect of the postponement of the annual holiday until that specified date."

Mr. Speaker, after a year's work an employee is entitled to vacation but whatever internal arrangements within the firm it may not be conducive or may not be in the firm's best interest for an employee to proceed on vacation at that point in time. The employer, with the consent and agreement of the employee, can defer that vacation within the six-month's period from the date from which it is due. The employer is now required to notify the Chief Labour Officer of such an arrangement.

Mr. Speaker, Section (8) of the Act states:

"Where the employer and employee so agree, the annual holiday may be taken wholly or partly, in advance, that is before the employee becomes entitled to the annual holiday."

Mr. Speaker, so that one joins a firm on January 1, 2017 and is therefore not entitled to vacation until a full 12-month's period has elapsed, but there are circumstances where the employer may say, look, you have earned 2½ days' vacation per month over the last 10 months, so that even though that employee is not really due for vacation until after December 31, the employee can be granted one week's vacation. Mr. Speaker, I think that is important because people would argue that employee must wait exactly for the one year to be up and that if they do not do so, then they might lose certain benefits. Sir, we are saying no, once both parties have agreed to that arrangement that employee can take vacation before the year is up.

Mr. Speaker, if that employee has taken that vacation before he is entitled to it, then that employee cannot add that time after the full year's vacation is due. The Act has envisioned that at Section (9) where it states:

"Where an annual holiday or any part thereof has been taken before the entitlement to that annual holiday has accrued, the employee shall not be entitled to another annual holiday, though he may be granted any remainder where only a part has been taken in advance, until the expiration of the 12-month's period in respect of that annual holiday has passed."

Asides.

Hon. D.O'N. INNISS: Mr. Speaker, well, the law cannot envisage everything but at least it has envisaged that one and I am very happy that it is put there for clarity, so that anyone engaged in such Human Resource Management issues would know.

11.40 a.m.

What is also important, Mr. Speaker - and I guess this too would have arrived from consultations between the labour movement and private enterprise -- is the issue of an employer giving notice of termination during or prior to one's annual vacation. It really is a bit distasteful to fire somebody when he or she is on vacation, but we know that this has happened occasionally. Sometimes you send a man on vacation because you suspect he has been doing some funny things in the firm, and then one week into the vacation you send him a letter saying do not come back to work. That is a little bit disingenuous, and not quite palatable for contemporary firms. Quoting from the legislation:

10. An employer shall not give an employee a Notice of Termination prior or during an annual holiday, and where any such notice is given it shall be void and of no effect.

I do not think you could want the law to be any clearer on that, Mr. Speaker. It is pellucidly clear, as my friend over there would say. If you terminate the services of an individual while that person is legitimately on vacation, such termination is now deemed to be void and of no effect whatsoever. It is not rocket science; it is the way the State is ensuring that respect is extended to all employees in this country. Of course, when the man comes back to work and you want to terminate him, I do not know if that can be stopped. That is your right as an employer, and of course you will follow suit.

Mr. Speaker, we also have said that such matters can be referred to the Chief Labour Officer where there are disputes. The payment during annual holidays is an instructive and very important aspect of this Bill before the House today, and the law here is speaking to how such a holiday is computed. As I said before, where you have one or more years but less than five years' employment with the same employer, the average pay shall be the three-fifty-second part of total remuneration of that year of employment. Likewise, for five years or more there will be four weeks of vacation per year. Mr. Speaker, what is in there that we must take note of is that you must be employed by the same employer. I go back to another fundamental issue. We know of instances in Barbados where firms may change or new entities may come into being and somebody has forgotten to tell the employee that your new employer is now ABC Limited as opposed to CDE Enterprises. Those are matters which would end up in the law courts occasionally, but it is important that the

employee is made aware of any changes in relation to his or her employer, and that any contractual arrangement should reflect such. At the end of the day, you can only get vacation pay if you have the same employer consistently.

Mr. Speaker, the other point I would like to stress on is termination after three months' employment. According to the legislation:

- 7 (1) ... An employee who (a) has been employed by the same employer for a period of at least 3 months; and (b) has his employment terminated shall, in addition to all other sums due to him, be entitled to payment for the portion of the annual holiday which has accrued during the tenure of his employment, and his employer shall forthwith pay that sum and all other sums due to the employee.

Of course, it goes on to speak to how such is computed.

Mr. Speaker, another important point relates to the issue of public holidays and annual holidays. Many people like to take their vacation leave at a point in time when there are quite a bit of public holidays; so last December when you had Christmas Day, Boxing Day and then the Tuesday was a public holiday because Christmas fell on a Sunday, et cetera, if you were on vacation you only had three days' vacation effectively for that week while, in truth and fact, you may very well have been home for seven or eight days. The law is very clear on this matter:

- 8 (1) Notwithstanding sections 4, 5, 6 and 7, where a public holiday granted under the Public Holidays Act, CAP. 352 occurs within any period taken by an employee as annual holiday or as a part thereof, that day shall be deemed to be granted in accordance with the Public Holidays Act, CAP. 352, and accordingly shall not be computed as a part of the annual holiday of the employee.

Here again, I think this is accepted across the board; if a man is on vacation and a public holiday occurs in the middle of it, that is not to be construed as a vacation day.

Mr. Speaker, we are also requesting that the records be kept in a manner that allows for the Chief Labour Officer or his nominee to be able to inspect them. According to the legislation:

2. The records shall be kept by the employer in such form as may be prescribed by the Chief Labour Officer. 3. The Chief Labour Officer, or any person duly authorised by him, may at any reasonable time enter any premises or place where an employee to whom this Act applies is employed and inspect the records which are required to be kept pursuant to Subsection (1).

Records such as the date of employment, vacation leave earned, sick leave, all of those things, are to be kept. Mr. Speaker, what I envisage will occur here, though, is that the Chief Labour Officer will accept and respect that such records may be kept in an electronic format. Gone must be the days where employee records are just on a file in a filing cabinet in paper form. This legislation, to my mind, is wide enough that it allows the Chief Labour Officer to instruct and accept that electronic record-keeping is also part of contemporary management arrangements. Of course, you cannot have the Chief Labour Officer's nominee turn up to look at employees' records and then the nominee is told you cannot give him or her the password to log on. I do not think we need to labour over such arrangements, Mr. Speaker.

We also looked at the offences that can occur within this arrangement.

11 (1) Any employer who

(a) refuses to allow an employee to take an annual holiday to which he is entitled under this Act;

(b) gives an employee less annual holiday than the annual holiday to which that employee is entitled;

(c) fails to pay an employee the average pay or part thereof, to which he is entitled in respect of his annual holiday or part thereof, in accordance with the provisions of this Act;

(d) contravenes section 4(5);

(e) contravenes section 4(10);

(f) fails to keep records in accordance with section 9;

(g) knowingly enters or causes to be entered in the records required under section 9 any false particular; or

(h) wilfully delays or obstructs the Chief Labour Officer or any person duly authorised by him in the exercise of any power under section 9(3),

is guilty of an offence and is liable on summary conviction to a fine of \$10 000, or to imprisonment for a term of one year, or to both.

As I said at the very beginning, Mr. Speaker, we cannot be serious about bringing such legislative reforms to Parliament and not have attendant to them a penalty that is of such significance as to serve as a deterrent for any employer who may wish to do other than the law would state.

Mr. Speaker, also significant here in this Bill is that the Minister may by Order amend the First Schedule. We also have a savings clause in here for those whose employment commenced after January 1, 1952 and before the commencement of the Holidays with Pay Bill, and hopefully Act, 2017:

15 (1) A person whose employment commenced after the 1st day January, 1952 and before the commencement of the Holidays with Pay Act, 2016 shall be treated as if his year of employment began on the date on which he commenced his employment, or, if that date is sooner, the date on which he signed his contract of employment.

We also have the Second Schedule, et cetera, going forward, Mr. Speaker. I am satisfied that we are on the right track with this piece of legislation, Mr. Speaker.

11.40 a.m.

Mr. SPEAKER: Are you reserving the right to speak? Okay, fine. The Honourable Leader of the Opposition.

Hon. Miss M. A. MOTTLEY: Thank you very much, Mr. Speaker. May I, at the outset of my speech, wish all Honourable Members, a happy and a purposeful New Year. This is the first Sitting of the year and would not therefore have had an opportunity to do so and I wish everyone individually as likewise with the country, all the very best.

I would like however, at the outset, Sir, to state that this Bill which is before us cannot be one with which Barbados Labour Party (BLP) will have difficulty because it was the Right Excellent Sir Grantley Adams that passed this Bill into legislation in the early 1950s protecting Barbadians or giving Barbadians the right to pay during their holidays. This Government is simply seeking to bring it into the 21st century given the changes in the work environment that have taken place.

Having stating our formal position in respect of this Bill, it is incumbent upon me, Sir, to state that it is our deliberate view, as the Opposition of this country, that there are matters of concern. Barbadians are worried about and that for us to continue to participate and to move along day-by-day as if those matters have no meaningful impact on how people plan out their lives is fundamentally wrong. We believe that there can be no business as usual therefore, we will continue to place our position on record as I just did with the Holiday with Pay Bill that is before this Honourable Chamber and the amendment to the Chief Labour Officer's powers but we will not participate in long or protracted debates in circumstances where the Prime Minister and the Minister of Finance are not prepared to

answer the legitimate concerns of Barbadians. Why? A number of events have happened and those events all impact on the jobs that we are here now trying to talk about because there can be no holiday with pay if there are not jobs. It is as simple as that. What have been these events? We have had from downgrades by CARICRIS and the holding of downgrades by Standard & Poor's, but no comment on the part of Government. We have had concerns in relation to the rejection of the Barbados dollar by the Bank of Guyana, no response.

Mr. SPEAKER: Honourable Member, you would note that we tend to give a lot of latitude but I have to draw your attention to the question of relevance. How is this relevant to the matter under consideration? You know the relevant Standing Order, the matters which you raise must be relevant to the matter under discussion and I would like you to speak to the Bill under consideration.

Hon. Miss M. A. MOTTLEY: Sir, I will lay the case for relevance. If the Governor of the Central Bank of Barbados is correct in his letter of 3rd January, that they have not been able to balance inflows and outflows of foreign exchange and that there must be deeper fiscal measures to reduce the fiscal deficit as well as to protect the foreign reserves by dampening spending, it means that jobs are at risk. If jobs are at risk, Sir, then there cannot be any discussion about holiday with pay because it would be holiday without pay for the majority of Barbadians. We are saying, Sir, that the questions that we are asking are not questions that we want to know. The concerns that we have are not peculiar to the Barbados Labour Party (BLP), people are concerned. Is there and will there be further measures that will be imposed on people to protect what the Governor of the Central Bank has said has clearly been a failure since 2013, to balance our reserves? Is there or will there be paths taken for request of outside assistance or will there be a continued home-grown approach, or is the Government likely, as Maureen Holder and others are now laying the wicket for, to carry us down a road of the IMF? Will there be an understanding that the Governor of the Central Bank cannot continue to print money without putting at risk the jobs of Barbadians, both within the public sector and the private sector? Our position, Sir, is so fundamental ...

Mr. SPEAKER: Honourable Member, just a minute please. Honourable Member, just a minute. Let me find the Standing Order on relevance to assist you because, in the opinion of the Chair, what you are speaking of is not relevant to the discussion on the Holiday with Pay Act.

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Asides.

Mr. SPEAKER: Honourable Member, I will try to get the relevant Standing Order shortly but of course you know that if you persist in irrelevancies after it has been brought to your attention by the Chair, I have the right to basically ask you to discontinue your speech and take your seat. Honourable Member, I am drawing your attention to Rules of Debate, Standing Order 28 (2):

“A Member must confine his speech to the subject under discussion, and may not introduce matter irrelevant thereto.”

Under Order in the House and in Committee of the Whole House, Standing Order 40:

“The Speaker, or the Chairman in Committee of the whole House, after having called the attention of the House or of the Committee to the conduct of a Member who persists in irrelevance or in tedious repetition either of his own arguments or of the arguments used by other Members in debate, may direct him to discontinue his speech and resume his seat”.

Of course, him also includes her, so I am warning you Honourable Member with respect to the matters which you have raised. They are not relevant to this debate. Yes, Ma'am.

Hon. Miss M. A. MOTTLEY: I contend that we cannot discuss holidays with pay unless people are employed in this country. If people do not have jobs there can be no discussion about people going on holiday with pay or without pay. If the language of the Governor of the Central Bank of Barbados is to be anything to guide us on in 2013 when he last used that same language, the Honourable Minister of Finance stood up in this Parliament and announced the dismissals of 3 000 workers from the public service in this country. Those 3 000 workers did not even get severance, vacation pay nor any kind of pay for a whole long period of time and some still have not received their due so when I say that we therefore have concerns about the state of the economy, I am not going to delay this House anymore, the Barbados Labour Party is not prepared for there to be business as usual in January 2017 when people legitimately are concerned and they do not know whether to go left or right or straight or back because they are getting no guidance from this Government, they are only being told for conveniences...

Mr. SPEAKER: Honourable Member, I rule that you are persisting in irrelevancies and I now direct that you discontinue your speech and resume your seat. Thank you.

Yes, Honourable Member.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, Sir, I did not hear you, could you repeat please because I am

prepared to take my seat and allow the Prime Minister and the Minister of Finance to address these issues. If you are asking me to sit, I will sit and hear them.

Mr. SPEAKER: Yes Honourable Member, please take your seat. Does any other Honourable Member wish to speak on this Bill?

Hon. J. D. E. BOYCE: Mr. Speaker, I want to just use one comment which would have been mentioned by the Honourable Member who just took her seat, that is, to recognise that as the first Sitting of the year we want to certainly join in welcoming all Honourable Members back to the Chamber and look forward to a long and hard year of work as we continue to do the work of the Government of this country.

Mr. Speaker, I want to join with the Honourable Minister of Industry, International Business, Commerce and Small Business Development who introduced these two Bills - as we indicated we are dealing with the Holidays With Pay Bill and the Labour Department (Amendment) Bill in this discussion although of course they will be dealt with in Committee separately - and to certainly associate myself with a lot of everything that the Honourable Minister said in respect to this legislation. Sir, it seeks in general terms to maintain Barbados' legal position in respect of labour laws in terms of its relevance and its modernity, and the Honourable Member was at pains to draw examples throughout his presentation which would have spoken to that. The point was made very early in the presentation that we are not contending on this side that everything that is part of these Bills have been agreed to by all parties but we certainly contend that they set the general parameters on which a mature labour movement in Barbados can continue to guide this country in this very important area of employees' rights, employers' rights and representatives of employers and employees rights. The Honourable Minister has been at pains, and the Bill is at pains, to try to recognise some of the many challenges we are facing as a modern society in dealing with the matter.

Sir, one of the issues that detained him for a while was the matter of what is a 24/7 society, what is a 24-hour society and what should we be contemplating in Barbados in terms of executing an effective 24/7 society. Of course, he made the point that in some areas of work this is already the practice, as he was at pains to point out, especially in an area like healthcare services. We are accustomed to providing 24-hour coverage for the provision of essential healthcare services, and it is important that we understand that this therefore is a culture which has been in the practice of executing what we have become familiar with as shift work in the health sector. In other areas this is becoming increasingly the case and we see examples almost on a daily basis of why this is absolutely necessary.

Of course, one of the regular cries every time there is an influx, for instance, of visitors to our shore especially our cruise passengers is: Is Barbados ready to open our shops in Broad Street and other areas to take advantage of this opportunity for spending and to take advantage, I think the point is being made, at no less a cost as would be the regular cost incurred in doing business. Mr. Speaker, this is something which will continue to be negotiated but is clearly being largely overcome, so I think that the Bill in respect to the fact that it demonstrates that the new Holidays With Pay Bill, in large measure, represents many of these modern approaches to doing business, therefore, we have seen the realisation of considerations such as average pay and total remuneration, so that we recognise especially in instances where commissions, overtimes, et cetera, can top up a person's earnings on a weekly or monthly basis, we must be in a position to bear these facts in mind when considering average pay and total remuneration.

House D1 Sequence 1112:00 noon

These are important factors, as was pointed out, when we are ready to apply these wages, especially in awarding of holidays and extra leave.

Mr. Speaker, there is whole question of how we execute entitled holidays. The entitlement to holidays is clearly stated in the Bill, it says from one to five years the employee is entitled to three weeks' vacation; greater than five years the employee is entitled to four weeks' vacation. How do we treat persons taking holiday? We would not expect an employer to give an employee holiday and while that employee is on holiday the employer gives him notice of termination of services. We expect that we would have reached the stage where employers and employees can understand that this would not be a fair operation and that it cannot be tolerated and so it will not be accepted under this new Act.

Mr. Speaker, we want to emphasise that in dealing with the allocation of holidays we understand that there has to be a level of agreement. Indeed, this is something that has largely been in practice in Barbados for a long time, but sometimes in carrying out these practices we need to have the effect of law in the event of a challenge or that a person considers that he or she has been wronged. Mr. Speaker, in a modern society like Barbados we seek, through this very important amendment today, to make sure that this is part of the Laws of Barbados and will therefore inform these acts on the behalf of both the employer and the employee.

Mr. Speaker, we are in a working environment which has to understand that in order to take advantage of efficiencies, in order to take maximum effect of opportunities that we need to be flexible in our approaches. Only this morning, and the announcements would have

been made yesterday, the Director of the Queen Elizabeth Hospital made an announcement with respect to how we expect to be able to tackle many of the backlog of interventions that are required by private and public patients in Barbados. Mr. Speaker, I certainly would want to salute the achievement of that arrangement where we will see, in the first instance, the Ophthalmology Department. We expect over the next couple of months to be able to deal with some 500 outstanding cataract operations in the hospital, so that the consultants and others who are involved in executing this project are clear as to how they will be expected to operate and the kind of outcomes and measurement that will be associated with their work. Sir, this is very important because, of course, there are existing contracts at the Queen Elizabeth Hospital with these consultants which now would obviously have to be tempered to achieve our objectives.

Mr. Speaker, the Director has also made the point that they want to be able to start taking greater advantage of private sector opportunities for assisting Government in closing out some of these outstanding matters. I think that over the last eight years, certainly before, but especially over the last eight years in the delivery of healthcare in Barbados we have been working towards a partnership with the private sector which sees some of the capacity that we need to be filled being taken up by our private sector partners. I speak specifically in the area of human dialysis, for instance, where a number of our patients would now be dealt with under that arrangement. Mr. Speaker, similarly, in our Elderly Care Programme we have contracts with employers. These contracts obviously have to be carefully vetted to make sure that they meet the quality to which we are accustomed while at the same time the cost of these contracts is pitched within the means affordable by the Government of Barbados.

Mr. Speaker, further, as we look ahead into solutions in these areas... Mr. Speaker, the Minister of Industry, International Business, Commerce and Small Business Development has made the point that more and more we are working from our homes, more and more we have the ability through technology to work and achieve our outputs and objectives from our homes. This is being demonstrated again in healthcare, especially in the area of telemedicine, where as we continue to execute our programmes in creating an enabling environment which uses modern technology, we can have consultants commenting on patients' conditions from remote locations, because once that image, for instance, is made available, it can be made available wherever the consultant is located, so that we expect quicker and safer outcomes by the implementation of these measures.

Mr. Speaker, this is a development which is not going to stop, this technological improvement and innovation will not be contained. We may as well, in

Barbados, get accustomed to the fact that we have to operate as a modern society. We have to get accustomed to all of the challenges that are associated with it, for example, in terms of employees having the confidence, if we are to remain part of this developing or developed world. Mr. Speaker, as you would know, there was a time in Barbados where as an employee you wanted your wages on Fridays in Barbados dollars, including coins that you could jingle.

2.11 p.m.

Today, largely wages are paid electronically through the banking system and that is how we collect our money. We pay our utility bills, and for our petrol sometimes, through the electronic banking system, so we need to get accustomed to these very important developments. Sir, the Minister who introduced the Bill also touched very importantly on the question of productivity, and he did not on this occasion dwell too long but he made the point. I want to reiterate that we really need to recognise how important it is that we apply efficiencies to the work which we do. The last couple of surveys in Barbados would not have made any of us proud, whether private or public sector, because as I recall, the report indicated that there was not that significant difference in productivity vis-a-vis the private and public sectors. Until we were Government Ministers, many of us would have been private sector employees or maybe private sector operatives, businesspersons in our own right, and we would have had our own definitions of productivity and efficiencies, et cetera. Certainly, in the public sector I think that there is no question that we need to look again at our productivity and indeed our efficiencies.

The introducer of the Bill made the point about how we distribute our holidays, for instance, and I reflected during those comments on the public sector. I am speaking about the public sector because that is where I currently operate, and I must admit that the experience up until when I left the private sector was not necessarily the same. I think the chopping and changing of holidays and the apportioning of holidays has been a major consideration in the public sector, and the way that we allow persons to take a day here and a day there. You may be working on a project and suddenly, two or three key operatives are not with you for two days and there are delays, and if the leave granted to these operatives is not arranged simultaneously, the leave can of course be extensive in its impact. These are important considerations. Although all of us have personal needs to fulfil, we still have to be mindful of how that execution occurs. Sir, in my view that is where leadership in these sectors is so important. My view is that leadership exists at all levels of an organisation, and those who like to pretend that the only leader in the organisation is the manager or the owner are, I think, missing the real point. When we create levels of leadership, deputy managers and

supervisors and line crews and that kind of thing, it is because we recognise that at every stage of leadership there needs to be that measurement and that accountability. These are the kinds of messages which more and more we need to share with our employees and with our unions, because we have had over the last couple of years some experiences here in Barbados which have forced commentators to speak to the way we do business, even in negotiating between union representatives and employers on behalf of employees. These are legitimate concerns. I think that, as this Act contemplates, we want to create an environment in which persons who participate -- employer, employee and union representative -- can do so with a level of confidence that can bring about the very important results which we contemplate. Sometimes we may not shout as Government employers or Ministers but there are those casual observers who, thankfully, share our media and help to put an evenness in terms of the commentary on how these negotiations are being carried out. This is a very important fact, and it is something which, as a mature nation, we must always hold up in front of us.

The Honourable Leader of the Opposition has made her point about timing. What about using the correct environment for raising our matters? Every environment or every occasion cannot be correct. We therefore have to choose carefully when, as leaders or managers or indeed as workers, we want to make our points; when we want to demonstrate to employers; when we want to demonstrate to owners what we want to have them consider. There will always be opportunities for these points to be made, Mr. Speaker, and I think it is instructive what we have observed even in the short moments we have spent in considering this Bill today.

Sir, as the Minister who led the Bill said, we trust that the Bill has answered significantly many of the questions related to the employment criteria in Barbados. It sets out clearly for all to consider how we expect our nation to proceed in carrying out these negotiations and indeed in enacting a mature policy. I think the important thing about this particular work is that it puts on the table for all and sundry -- I would have made this point already -- a clear legal position as to what obtains in labour law in Barbados today, and how we expect parties to operate. It is therefore an Amendment which certainly has my support. Of course, the Amendment to the Labour Department Bill is one which brings in line the authority of the Chief Labour Officer in respect to the Amendments which are part of this Holidays with Pay Bill which we are considering. Sir, it certainly has my full support and I certainly commend it to employers, to employees, to representatives of workers and to representatives of employers as we seek to maintain a civil society in Barbados; a society of which we can be proud and one which we can afford to openly sell as one for investment by foreigners and by locals and as one for

visiting by our many visitors with the full expectation of a peaceful and a happy holiday.

12.19 p.m.

INSERT S14 JULIETTE

Tuesday, January 17, 2017

RESUMPTION

Mr. SPEAKER: Good afternoon Honourable Members, this Sitting is resumed. When the suspension was taken, we were on Order No. 17 and with that we shall continue.

ORDER No. 17 (RESUMED)

Mr. SPEAKER: The Honourable Member for Christ Church West Central.

Hon. S. A. LASHLEY: Mr. Speaker, I rise to make a contribution to this debate on the Holidays With Pay Act which of course repeals and replaces the existing legislation Cap. 348.

Mr. Speaker, I will begin by certainly saying that this legislation before the House is not the type that one could just have a cursory debate or a cursory glance at. In fact, this amending Bill which replaces the existing Holidays With Pay Act creates a completely new regime in relation to the whole question of holidays with pay in Barbados and the jurisdiction under which the Chief Labour Officer functions. In fact, as we heard earlier from the mover of this debate it does add clarity to a number of areas which relate to the whole question of the holidays with pay and other related matters.

Interestingly enough, Mr. Speaker, this Holidays With Pay Act has had a very interesting origin. Indeed, the last time this Act was amended was in 1980 having come into operation in 1951. It does remind us that so much has happened in the arena of industrial relations and certainly labour law in Barbados that would have necessitated the Government to move with alacrity to ensure that this particular legislation fits snugly within the new environment that would have unfolded. Of course, we would have had since then the Employment Rights Act. What this Bill does is to tie in the whole operation of holidays with pay in relation to the Employment Rights Act. In fact, it does allow not only the Chief Labour Officer but trade unions and indeed individuals where there are complaints under the Holidays With Pay Act to be able to put those complaints before the Employment Rights Tribunal, a right that they would not have had previously because the Holidays With Pay Act have been enacted and enforced long before we would have had the Employment

Rights Act and it therefore streamlines that operation and creates more certainty in the law in relation to how the Employment Rights Tribunal seeks to enforce both the rights and obligations of individuals under the Holidays With Pay Act.

In addition to that, Mr. Speaker, the Bill before the House to my mind seeks to clarify a number of areas, and one of those that I have seen relates to the whole question of the taking of the annual holiday. I have observed certainly in relation to the provisions that there is an attempt to create a more flexible arrangement by which the negotiations between employer and employee takes place as it relates to the taking of annual holiday. In fact, in the existing Act, the provision does create a kind of challenge because I believe that provision under the Act basically only provides, I think that is Section 3 (4), for the employer and the employee to agree for the taking of annual holiday but only up to two occasions under the Act, whereas it is now proposed under the Bill before the House that once the employer and employee agrees that the occasions on which your annual holiday can be split can basically be never-ending, there could be several opportunities for the taking of annual holiday once of course the employer and employee agrees.

Mr. Speaker, in my prior life before the Bar there was an interesting case before the High Court which would have signalled perhaps the need to even look further at the provisions of the Holidays With Pay Bill Act because we still have the lacuna as it relates to the whole question of accumulated holiday which perhaps we might need to revisit because the current Bill before the House does not really cover that in the way that I believe it should be. In fact, that particular case would have identified perhaps the need to clarify the provisions in the legislation which would deal with where an employee would have accumulated many days of holiday which should have been taken in one calendar year but those days would have spilled over into other years and the question is: How do we treat to that kind of scenario and whether or not that kind of accumulation of holiday is indeed covered under the existing legislation. Perhaps it would be opportune to look at that to ensure that the relevant provisions are inserted into the legislation whenever that can happen to deal with this whole question of accumulated holiday. I do believe that the attempt in this Bill as it relates to creating some flexibility whereby employee and employer can negotiate and can actually have an opportunity to determine that annual holiday can even be split more than two occasions provided of course that they agree.

I am not sure if many people understand that even where holiday is delayed, where the holiday is not taken annually, that there is a provision even under the existing legislation for the permission of the consent of the Chief Labour Officer to be secured. I believe that in practice

holiday is delayed or spills into another year and the employer and the employee agrees on the taking of that holiday being not conscious of the fact that under the existing legislation there is a need to have that permission from the Chief Labour Officer. The current Bill before the House repeats that provision and requires the consent of the Chief Labour Officer to deal with situations where the employer and the employee wishes to delay that holiday and of course where it is taken in a period even beyond the actual year.

Of notice, Mr. Speaker, is the transitional provisions under the exiting Bill. I think these are critical because what we are doing is in fact completely replacing a current piece of legislation with a complete new Bill. This is not an amending piece of legislation, it in fact completely replaces what currently obtains in relation to the Holidays With Pay Act, so it would have become necessary to put into the Bill some transitional clauses to make it quite clear that of course those arrangements that would have existed at the point in time when this Bill becomes law becomes governable by the provisions under this Bill.

House D1 Sequence 15

Mr. Speaker, I think that is important because it adds certainty to the workplace and provides the kind of environment that you do not have confusion being created because we are actually completely changing out one bit of legislation with the other.

Mr. Speaker, I also believe that this Bill offers us a more comprehensive interpretation clause. Of course, when I compare it to the current Act, it is extremely more comprehensive as it relates to the clear attempt by the drafters of the legislation to ensure that there are now at least many more areas of a definition. It is also much more comprehensive and extensive. I believe that is what is required within the context of the current environment. This offers, of course, the clarity that helps in terms of even reducing the amount of complaints that would come to the Chief Labour Officer and perhaps would go the Employment Rights Tribunal because, of course, the law and the legislation is clearer.

Mr. Speaker, there are two areas that I would want to comment on, because in the current Bill you would notice, and I think the Honourable Member who led off this debate did allude to it, but there is certainly the insertion of two areas that are very relevant now to what has been obtaining for quite a while. Beyond basic pay the total remuneration has now been defined to include commission and incentive pay. I believe that this arrangement recognises that certainly since 1951 that there has also been a shift or a kind of improvement in terms of the realities that exist between employer and employee where in an attempt to

create incentive in terms of the workforce... I know that it occurs very much in terms of the insurance industry where employees are given certainly a basic pay and offered an incentive package to be able to underwrite additional insurance and so on.

Mr. Speaker, this is now recognised within the context of this Bill where the total remuneration is now encapsulated within the context of commission and incentive pay. I think within the context of our desire, not only as a Government but as a nation to spur greater levels of productivity, this offers employers an opportunity to so structure their salary and remuneration packages to build into it more provision for incentives and to drive productivity while using a basic pay but using commission and incentive payments as a means to increase productivity.

Mr. Speaker, when I prefaced my remarks I said that this is the kind of Bill that is occurring at this time that craves certainly for a very incisive debate, because we have to explain to the country some of the salient points about this legislation that are very critical in terms of some of the wider discussion points that we have in Barbados today and productivity has been one. We have been talking a lot about the need to spur economic activity to broaden the economic base, to create the kind of environment in which the economy can grow but I believe that critical to this must be a new approach within the world environment, a new approach to how workers can be incentivised to help them to drive productivity levels.

Mr. Speaker, we need greater levels of productivity in Barbados and on each occasion that we are talking about some of the areas of our economy that are in need of attention, I believe perhaps we do not pay enough attention to saying to all and sundry that the economy in Barbados cannot grow, that certainly productivity levels at the workplace need to be addressed in a different way to be able to drive productivity within the private sector. Mr. Speaker, by and large, this Holiday With Pay Act, since being enacted in 1951 has really been designed to deal with the whole question of the negotiation of holiday, while ensuring of course that employees who are entitled to annual holiday are not disadvantaged, because they are not paid for their holiday and since that time, of course, this rights of the employees have been protected.

Mr. Speaker, both commission and incentive pay are now defined within the context of total remuneration but of course it is important also to say that as was done in the 1951 legislation, this Bill before this Honourable House does not encroach or does not create a situation where the discretionary pay becomes part and parcel of the total remuneration. Mr. Speaker, that is important because it still protects and offers the employer the opportunity to use various means of discretionary payments to spur

productivity levels or to encourage employees in terms of various aspects of their businesses to be more productive.

Mr. Speaker, I think that is important because within the workplace environment we need to have legislation that while it protects the rights of both employer and employee and while it ensures a level playing field, we also have to ensure that legislation is not so tight or so rigid that it actually does the opposite to what was intended by the policymakers or drafters. Indeed, it is important also to ensure that elements of discretion are kept in there, because the workplace environment has got to be that.

Mr. Speaker, even with regard to the negotiation of annual holiday the vagaries of what is required in the workplace oftentimes demand a certain level of flexibility. We are now talking perhaps to moving Barbados towards a 24-hour economy where of course the demands on labour are such that you cannot ignore certain realities that will occur as we continue to look for more aggressive and certainly more innovative ways to create economic activity. How, for example, can we talk about developing entrepreneurs in Barbados without recognising that as soon as you becomes an entrepreneur that you are, in fact, an employer and therefore all of the various legislation that governs the relationship between employer and employee must become even more nimble and flexible to be able to ensure that we achieve the overall objectives that we would want.

Mr. Speaker, it is important that now there is greater clarity in relation to the administration of the Act. In the existing Act, although, of course, you would find reference to the Chief Labour Officer, there has never been a very clear statement that certainly (1), clarifies the role and function of the Chief Labour Officer and secondly, clearly says that the administration of the Act is now fairly and squarely in the hands of the Chief Labour Officer. I think it adds clarity to that Office. It also recognises that of course the linkage between this Act and the Labour Department Act is now beyond doubt because it is now expressly linked to the Labour Office Act. Of course, there is now no doubt as to the fact that there have to be now functioning together.

Mr. Speaker, under the current legislation while, of course, the Holiday With Pay Act sought to do a number of things, for example, provide for paid vacation for private sector employees, we know that, of course, the passage of time means that all of these practices have had to be modernized.

2.28 p.m.

Greater clarity is now required to be given to the law. In relation to the granting of annual holiday to employees and the calculation of the sums, all of this now

has had to be clarified in a way that makes sense in modern Barbados. What pleases me, Mr. Speaker, is the fact that certainly the Government has sought to ensure that while you make all of the provisions for safeguarding paid annual holiday, you of course want to ensure that there are certain requirements for the employer to uphold. Under this legislation as obtains in relation to most of the labour laws of Barbados, there is a very clear jurisdiction for the Office of Chief Labour Officer. In fact, the Office of the Chief Labour Officer is such that, if there are issues happening in the workplace, the employee is able to gain clarity by approaching the Chief Labour Officer. The employer has always been required for some time to ensure that they have records which are kept at the workplace relating to the commencement of the employment of the employee, and of course other critical matters which can be easily retrieved in the event that there is a dispute or complaint.

Mr. Speaker, if we are talking about quickly resolving disputes in the workplace, and if we are talking about ensuring that we have not just enacted an Employment Rights Act and set up an Employment Rights Tribunal without the necessary enforcement mechanisms, we would have had to revisit any legislation that would have been enacted before Independence. Of course, this is one of those Acts we have had to look at. Under the provisions of the existing Holidays with Pay Act, any breach of or non-compliance with those provisions is basically visited by a meagre fine of \$100 or a period of imprisonment of three months or both. That is the kind of penalty that has existed under the Holidays with Pay Act from 1951; although since then they have at least been five Amendments of this legislation. The last one, as I said, was in 1980, Mr. Speaker. You have to enforce this Act over this period if somebody refuses, for example, to adhere to requirements established under the Act; or if the Chief Labour Officer would have been asked to intervene and the matter would have gone to the Magistrate's Court. If it was a case where the magistrate fined the offender guilty of an offence, all the magistrate could have done would have been to impose a fine of \$100 or imprisonment for three months, or both. Under this Bill before the House, that has been addressed, and the fine has been increased to \$10 000 or imprisonment for one year, or both. This obviously strengthens the hand of the Office of the Chief Labour Officer, and certainly sends the message that this legislation is not one you can easily ignore without significant penalty.

Mr. Speaker, the other point I would want to make in terms of explaining the importance of this Bill is that it certainly goes a long way in ensuring that we avoid not only duplicity in the system, but that we can have a clear arrangement by which matters that offend the provisions of this Bill, once it becomes law, are easily addressed; in the first instance through the Office of the Chief Labour Officer. It is now made very clear that the Chief Labour

Officer now has a direct channel in relation to matters occurring under the Holidays with Pay Act to have those matters dealt with by the Employment Rights Tribunal. Mr. Speaker, I think that is a good thing. I think it does offer the employee and the trade unions -- because the provision also extends to the trade unions -- the opportunity to take matters before the Employment Rights Tribunal as well.

Mr. Speaker, in terms of this creature of accumulated holiday which I spoke about and which was the subject of a High Court decision, in due course we will have an opportunity to look at that to see how it can be addressed and where the Act can be clarified. Certainly, however, I believe the Bill represents another substantial effort by the Government to make the whole aspect of employment relations more relevant within the context of a modern Barbados, and to create those vital linkages that are necessary in relation to pulling this body of labour legislation together in a manner that makes it more comprehensive, easier to understand and enforce, and with the ability to create a more level playing field as it relates to the protection of rights, obligations and, certainly, the arrangements within the workplace. Mr. Speaker, in closing I would simply like to say that the Bill, while repeating some of the vital provisions in the existing Act, certainly offers a comprehensive picture and serves to modernise quite a bit of the law as it relates to holidays with pay. I believe this Government should be congratulated. The Minister and Ministry of Labour should be congratulated for moving in a very swift way in bringing this Bill to this House for the purpose of ensuring that we can have a clearer picture in relation to the law as it relates to holidays with pay. With those remarks, Mr. Speaker, I am obliged to you.

Mr. SPEAKER: I am obliged. Yes, the Honourable Member for St. James South.

Hon. D.O'N. INNIS: Mr. Speaker, I want to thank the Honourable Member for Christ Church South and the Honourable Member for Christ Church West Central for their contribution to this Debate. Of course, I am mindful that the Honourable Member for St. Michael North East did have a few comments to make, but I shall not reflect upon those except to say that we are ever mindful on the Government's end of not just challenges in the economy, but also more importantly our continued efforts in ensuring that wherever possible we can expand opportunities for employment, ensure that in all sectors we are able to maintain levels of employment, create opportunities for entrepreneurship and, by and large, further grow and diversify the economy. Therefore, there can be no deviation from the issue of enacting a new Holidays with Pay Bill or Act in Barbados to address the issue as to how employers in Barbados relate to and address issues attendant to the termination of holidays and the pay with it.

Mr. Speaker, I believe, as I said when I spoke earlier, that this piece of legislation is very timely. It certainly fits in with the Government's continued thrust in making not just our economy but our society a lot more acceptable to as wide a range of people as possible in Barbados.

2.37 p.m.

INSERT S17 JULIETTE

Tuesday, January 17, 2017

Hon. D. O'N INNIS: ...The function of the Tribunal is to enforce the rights conferred upon persons by this Act or under any other enactment that provides for enforcement by the Tribunal and for that purpose to exercise his jurisdictions specified in subsection 2.

Mr. Chairman, also in paragraph 2, we want to delete the words "dealing with employment standards and other employment rights" and insert therein "that provides for enforcement by the Tribunal."

At paragraph 7 (5) (b), we want to delete the words "any enactment dealing with employment standards or other employment rights" and replace it with "of this Act or under any other enactment that provides for enforcement by the Tribunal."

Hon. J. D. E. BOYCE: I beg to second that, Sir.

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

On the motion of Hon. D. O'N. INNIS, seconded by Hon. J. D. E. BOYCE, Mr. CHAIRMAN reported to His Honour the SPEAKER the passing of one Bill in Committee with Amendments and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motion of Hon. D. O'N. INNIS, seconded by Hon. J. D. E. BOYCE, the Bill was read a third time and passed and cited as the Holidays With Pay Act, 2017.

ORDER No. 18

LABOUR DEPARTMENT (AMENDMENT) BILL, 2017

Mr. SPEAKER: Yes, Honourable Member.

Hon. D. O'N INNIS: Mr. Speaker, I beg to move that this Bill be read a second time.

Hon. J. D. E. BOYCE: I beg to second that, Sir.

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

On the motion of Hon. D. O'N INNIS, seconded by Hon. J. D. E. BOYCE, the House resolved itself into Committee, Mr. J. D. PAUL in the Chair.

COMMITTEE

Mr. CHAIRMAN: This House is in Committee.

Clause 1 was called.

Hon. D. O'N INNIS: Mr. Chairman, I wish to make one amendment to Clause 1. It should now state that this Act may be cited as the Labour Department (Amendment) Act, 2017 as opposed to 2015.

Hon. J. D. E. BOYCE: I beg to second that, Sir.

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

Clause 1 as amended was passed.

Clause 2 -- 3 inclusive were called and passed.

On the motion of Hon. D. O'N INNIS, seconded by Hon. J. D. E. BOYCE, Mr. CHAIRMAN reported to His Honour the SPEAKER the passing of one Bill in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motion of Hon. D. O'N INNIS, seconded by Hon. J. D. E. BOYCE, the Bill was read a third time and passed and cited as the Labour Department (Amendment) Act, 2017.

ORDER No. 19

MINIMUM WAGE BILL, 2017

Mr. SPEAKER: Yes, Honourable Minister.

Hon. D. O'N INNIS: Thank you, Mr. Speaker. In continuation from earlier discussions and debates surrounding legislation guiding labour issues in Barbados, one of the nagging issues over the years has been the establishment of minimum wages across Barbados, and the Ministry of Labour in consultation with its partners, including those in the Social Partnership and others, have decided that we need to have a structure in place to advise the Minister as to what are the parameters for establishing and administering minimum wages in Barbados.

House D1 Sequence 19

Mr. Speaker, perhaps if I can start with the broader Objects and Reason of the Bill that is before this Honourable House today, which is:

a. To make provision for the establishment of a Minimum Wage Board;

b. The making of minimum wage orders by the Minister to establish either a minimum wage to be applied generally or a minimum wage for employees in a specified group or sector;

c. To repeal the Wages Councils Act, Cap. 362 and related matters therein.

Mr. Chairman, I am not going to prejudge anyone in this Honourable House or to say whether or not the debate ought to be either weighty or long one, that is entirely up to Honourable Members, but it is significant enough, as I said earlier, that in keeping with Government's efforts to bring greater clarity to some of the labour issues that have dogged us over the years to ensure that there is certainty in what we do, to ensure that as far as possible the rights of workers are protected without doing harm to the rights of employers in this country, I think the Government continues to strike a judicial balance between those sometimes competing interests.

Mr. Speaker, an issue that has challenged not just Barbados in some respects but many societies is the issue of minimum wage. Some developed economies like the United Kingdom, the United States of America and others do have minimum wage legislation in place in most of the productive sectors. In Barbados we have it in very limited areas that are established by law. However, suffice it to say that customs and practices over the years have somewhat ensured that perhaps due to market forces or an understanding amongst those who control several sectors in the economy that an unofficial minimum wage has been in place. Mr. Speaker, for example, one could talk about the evolved evolution of the hotel sector and in many respects to prior to forming engagements around organised labour there was always that conversation and acceptance as to what ought to be construed as a minimum wage for workers.

Mr. Speaker, perhaps from my end I should start out by saying what is a broad definition of a minimum wage because really and truly it is that wage at which is expected the recipient of that wage ought to be able to provide the basic necessities in life. It is the understanding that anything below that, that under all normal circumstances, the individual may not be able to provide for his or her own basic necessities in life. Therefore, in keeping with the relevant International Labour Organisation standards, this legislation is seeking to establish and address the minimum fixing machinery for Barbados.

Mr. Speaker, I want to emphasise again and again that this proposed legislation does not fix or set minimum wages, it primarily seeks to establish an Advisory Board that will advise the Minister as to how such wages ought to be determined. Mr. Speaker, I do not want anyone or others within air shot believing that the State has now set about to start to impose minimum wages across sectors and then to have people or have want-to-be trade unions, those who clamour for their five minutes of fame on very frivolous matters, to go out there and say that the State is now coming with minimum wage legislation and then start to say what the minimum wage would be. Likewise, on the end of the private sector and employers, to somewhat feel threatened that the State is going to start immediately fixing minimum wage and therefore they are going to see their payroll cost escalating.

Mr. Speaker, we have to understand that this is a very serious matter and that you cannot run headlong into with your blinkers on, you have to realise that we have to have a structure that will inform how we go about making those decisions as to what constitutes a minimum wage, what are the sectors that ought to be considered for minimum wage in our scenario in Barbados.

Mr. Speaker, there is a school of thought that minimum wages ought to be determined by market forces, so that whatever the market is playing around with, if I am selling widgets and my neighbour down the street is also selling widgets, what he pays his employees is what I should pay my employees, if not if I pay higher I am going to find that I have a higher overheads, lower profit margins and may not be able to sustain myself, because I cannot carry my prices up because my competitor has lower input costs and therefore it puts him as a party at a comparative advantage and so market forces cannot be dismissed.

Mr. Speaker, in many areas beyond the minimum wage, because wages are usually determined when you are reflecting on the compensation package for those at the lower end of the food chain, but the reality about it is that when you go up and you start to look at the professions, for example, lawyers, doctors, et cetera, their market force actually determines what their fees should be and wherever possible they may have a fee structure as a guide but generally-speaking market forces base decide what the fee is going to be. For example, if as a patient I go to you and I am charged "X" amount, I may go to another person who perhaps may charge me the same thing because there is an understanding, not enshrined in law but certainly based on what the market forces are demanding, that will really set those rates.

Mr. Speaker, of course, there is the other school of thought that minimum wages ought to be set by the State because of the macro perspective of the State, because the State recognises through its own research mechanism,

through its commitment perhaps to the masses and such like, that they are duly-bound to ensure that each worker in the particular sector, receives enough of a wage that they can provide for themselves and their family with a sense of comfort.

Mr. Speaker, we see it in the United States of America, for example, we have the fast food places where occasionally the State may intervene and fix minimum wages for workers in that particular industry. That may have happened because there have been instances of exploitation because some of the workers may not be documented, they may be in the particular State or jurisdiction illegally and may feel that they have no choice but to take what is less than acceptable wage because oftentimes they are forced into less than acceptable living conditions.

Mr. Speaker, there are also the times when you have discrimination based on gender. We may laugh at these things but there are still parts of our world where women are paid less than men for doing the same job just because they are women. Now, I really cannot connect to that as a Barbadian growing up in the 1970s and 1980s but I am not going to bury my head in the sand and not believe that such thinking still exists, perhaps in small measures in Barbados, but certainly it is prevalent in some other parts of the world. Mr. Speaker, where these things occur the State is duly-bound to intervene and say, look, regardless of one's status in a jurisdiction, regardless of one's gender, they must be paid a minimum wage and let other issues be taken care of elsewhere.

3.11 p.m.

Mr. Speaker, this has proven to be a success and to be somewhat of a pivot from which one is then able to propel industries forward, but more importantly it has been used as a tool for uplifting individuals who otherwise would be continuously downtrodden in some societies. In Barbados today in 2017 one may ask, "Why is this important?" but we do not live in a world of our own. While there are no reports about abuse in terms of wages in Barbados across various sectors, to my knowledge, and while generally speaking market forces can very well be at work in finding that settling point in wages, we cannot pretend that (a), it does not exist, and more importantly (b), it will never happen here. We are duty-bound, therefore, out of an abundance of caution, if for no other reason, to ensure that system is put in place; as I said, a structure from whence the Minister and decision-makers at the apex can determine what minimum wages should be and what sectors ought to be involved in being scrutinised for such wages.

Mr. Speaker, it is always useful in Debates like these to reflect upon the history; to give a historical perspective

of matters that come before us here. In 1938 we had the Labour Minimum Wage Act which required the appointment of an Advisory Board to advise the then Governor in Executive Committee, who had the power to fix minimum rates of wages in respect of areas of occupation, for which the specific Board was established. This was as far back as 1938, perhaps coming out of the 1937 uprisings. I am not that steeped in history per se. I am no expert in that area, but I do not think it is coincidental that one year after the 1937 Riots we were able to have something like this. We have to thank those who went before us. Before Opposition Members get up and make noise, I have to acknowledge the contribution of our National Hero Grantley Adams in terms of his work with the labour movement; along with Springer, Walcott and the whole group of them, in terms of not just agitating for change but being in the House of Assembly and being able to bring real change legislatively and otherwise which has helped to transform Barbados from a village into a modern nation. We have to thank those who laid that foundation, and many of them across the political divide. It is not a Democratic Labour Party-Barbados Labour Party issue per se.

Then in 1943, we had the Wages Board Act which came in and repealed the 1937 Act. There was a more enduring Wages Council Act that really and truly helped to set up the machinery for the regulation of wages and other conditions in the field of employment, in which there was the opinion that no adequate machinery existed for the effective regulation of wages. This continued into the 1950s, and in 1958 we had the Wages Council Shops Order Act. Mr. Speaker, I want at this point in time to thank the Chief Labour Officer and his staff in the Labour Department for their research into this particular area, and the Minister of Labour, of course, for helping to guide the process therein. When we come to the point of creating new pieces of legislation, please appreciate that we are not starting from Ground Zero. A lot has gone on before, a lot of legislation has been drafted and enacted, tweaked, reworked and amended over time, maybe in response to the changing environment. It is a very dynamic world in which we live, and it is a very dynamic work environment within which we are functioning. In 2017 we have to be mindful, for example, of the importance of technology and the Internet and such like; something that nobody thought of back in the 1930s, '40s and '50s and perhaps even in the '60s and '70s. A lot is changing, and therefore while legislation, generally speaking, is oftentimes designed to be flexible and accommodating, there are times when it has just simply got to change and simply has to be reworked all over.

We looked at the changing machinery over the years that gave effect to regulation of matters of remuneration of workers employed in shops in the island. Having regard to remuneration existing among these workers, we therefore

established way back then the Shop Wages Council. Over the years such councils have remained in place and that is where Orders were given. I believe the most recent one was the Wages Council Shop Assistants Order of 2012, almost five years ago, which set the minimum hourly rate payable to shop assistants at \$6.25 per hour or about \$250 for 40 hours of work per week. Then, of course, apart from the Shop Assistants Order -- we like to talk a lot about these things -- we also had the Shirt and Garment Wages Council, which was established out of the 1943 Act and was an Order that took effect in 1958. Mr. Speaker, quite interestingly that Order was never revised nor repealed, and today remains a part of the regulations although no longer relevant. That is why I said earlier today that we must have a complete review of the pieces of labour legislation and seek to bring them into -- for want of a better term -- one package that would be easy to access, retrieve, archive or whatever; to be used not just by lawyers who have vested interests in labour issues, nor just by trade union leaders whose interest is obvious, nor just by Government, but for ordinary Barbadians who want to have a little fundamental understanding of the laws and regulations governing their employer-employee contracts and so on. My understanding therefore is that the Shirt and Garment Wages Council and the attendant regulations that came into being, I believe, under the 1943 Act but under the 1958 Order, is still the law of Barbados today in respect to that particular sector.

There have also been other direct legislative interventions in wage-setting in Barbados over the years. We had the Sugar Workers' Minimum Wage and Guaranteed Employment Act of 1968, which provided for the proscribing of minimum wages and guaranteed employment for workers in the sugar industry. Of course, the revised Order to that was made in 1971. It is just not law, because even in terms of the Sugar Workers' Minimum Wage and Guaranteed Employment Act of 1968, since 1971 the collective bargaining arrangements have taken over in terms of setting wages and conditions for employment in that particular sector. We have to be mindful that while some of our legislation may be antiquated or has been around for a long time and not amended, there have been some practices and conventions including the rise of the organised labour movement, the trade unions, in terms of now intervening and filling that void of contemporary legislation by engaging in dialogue and negotiations with employers to arrive at better wages and terms of conditions for employment. However, Mr. Speaker, it is perhaps always a little safer for the State to create legislation to bring clarity to these issues as opposed to leaving them up to just negotiations between two parties. The law cannot envisage everything. The law cannot be in every boardroom and in every conversation around labour issues in Barbados, but we certainly can, as far as possible, provide the best enabling environment even to allow those who negotiate to be able to clearly do so with some fundamental law governing them.

Mr. Speaker, we also had the Domestic Employees' Hours of Duty Act, 1982, which gave the Minister then the power to proscribe the minimum wage payable and other conditions applicable to domestic employees. An Order proscribing \$150 per hour for a 44-hour week was made in May of 1982 and, like the Sugar Workers' Minimum Wage Act of 1968, that Domestic Employees' Hours of Duty Act, 1982, has never been revised or repealed, and I daresay it is totally irrelevant today. One must be in recognition, however, that in today's environment there are certain sectors of wage earners in our country to whom it can be fairly said, and for a variety of reasons, there exists no adequate machinery to effectively regulate what their wages ought to be; not wages but generally their total remuneration.

3.16 p.m.

INSERT S22 JULIETTE

Tuesday, January 17, 2017

Hon. D. O'N INNIS: ...at the same time find sustainable solutions as enshrined in law. It is not just legislation, Mr. Speaker, because at the end of the day we need to have, as I said earlier when we were discussing the Holidays With Pay Act to amend the Labour Department, the human resource available within the State's apparatus to go out there and investigate complaints thoroughly and to have the full weight of the law brought upon those who are breaking the law because if we have all of the legislation and we do not address that aspect of it then we really have done nought. I think that is why, Mr. Speaker, you will find that the Government has been so concerned about the need to bring the right kinds of labour legislation to bear.

Mr. Speaker, I want to emphasize that in all of our deliberations about legislative reform around labour issues we as parliamentarians must always be fair and accept that employees have rights and employers also have rights and our duty is to find that balance in there at least to create the kind of framework that where disputes occur we have a mechanism for solving them going forward.

Mr. Speaker, in respect now of the Minimum Wages Bill before us, it is designed to provide for the establishment of a Board to advise the Minister of all matters related to the fixing of minimum wages including a national minimum wage or the minimum wage to be paid to specified groups or a specified sector and on the minimum terms and conditions of service for any employee for whom the minimum wage applies. I need to stress that Mr. Speaker, because it is not a Board to just advise as to what the minimum wage should be but also the terms and conditions of service applicable to those for whom a minimum wage applies. Mr. Speaker, that is very critical

because the conversation is not just about whether we get \$10 an hour, \$12 an hour or \$6 an hour as a minimum wage but about what are the other conditions that must apply, conditions for lunch hour for example because there are those who may believe they hired a low skilled worker whether it is a domestic worker or somebody else and you are to work eight hours and during that eight-hour period you are not supposed to take any time for lunch, you are not supposed as we say to get a little breather, some say you are even supposed to go to the bathroom, to hold your belly for the whole day or you cannot use any of the food in my house, you cannot even drink a glass of water from the same crystal glass that are used. The reality about it, Mr. Speaker, is that these are the kinds of conditions that we reflect upon.

Mr. Speaker, I am not picking upon any particular sector but these are the realities. As a parliamentarian I hear the stories. I have constituents of mine in St. James South who tell me about some of the conditions under which they labour, and I am saying that this is not the Barbados we want it to be because at the end of the day that worker who you are attaching such onerous conditions to invariably is somebody's mother, somebody's aunt, somebody's cousin and sometimes when you check they may be very well be in your same family tree and that is why I always say to just treat people fairly, be kind to everybody on your way up because you do not know who would meet on your way back down. That is a very simple policy by which I live. I am nice to everybody on my way up because if I ever happen to have to come back down I can still survive and get a little trala and a little piece of bread from somebody, but that is not the reason why the Member of Parliament for St. Thomas and I are good friends, we are friends for other reasons.

Mr. Speaker, it is necessary to emphasise that it is not just about setting minimum wage but also terms and conditions for whom that minimum wage is applicable.

Mr. Speaker, we have in this case, when you review the Bill, to look at that advisory board to the Minister. This connects back to my earlier point today about the Holidays With Pay Act and the consultative process. We have gone beyond that now and say look we are going to form this Nine-member Minimum Wage Advisory Board to advise the Minister. There will be three persons appointed by the Minister in his own discretion, three nominated by the employers representatives and three to be nominated by the employees representatives, another manifestation of the Government's commitment to the tripartite arrangement where we really now not just talking but are adding a lot more meat to it. We are saying look we have consulted far and wide on this issue, there is mutual respect, we cannot agree on everything but at least going forward now in the implementation aspect of it we are still going to engage all relevant stakeholders and that is why we are saying look

this Board is not weighted in favour of the Government, in favour of the trade unions or in favour of the private sector, everybody has an equal say per se in these matters. That to my mind, Mr. Speaker, is perhaps the best way we can do it in terms of structure to get the best possible advice on to the Minister so that when that Minister has to issue an order in respect of a minimum wage for a particular sector you know that the Minister has been well advised by all and has not advised his or herself.

In so doing, Mr. Speaker, Barbados will now be moving away from a very antiquated system of wages council and moving to what is in line, I dare say, with even some other CARICOM countries. You have Trinidad and Tobago where there is a Minimum Wage Act which provides the National Board to advise of minimum wages across the country. Similarly, in Grenada you have the Labour Code that provides the establishment of a Wages Advisory Committee which investigates the conditions of employment and wages and also makes application or gives advice to the Minister on fundamental minimum wage setting issues as well. In Jamaica, there is a Minimum Wage Advisory Commission which advises on national and sectoral minimum wages. Its mechanism for consultation is also tripartite in nature. In Antigua and Barbuda, where we know you have had labour leaders over the years leading the Administration therein as well, the national minimum wages is established on the recommendation of the Minimum Wage Advisory Committee which is tripartite in its construction and may also co-op qualified individuals from time to time as they see necessary. In St. Lucia, the Minister of Labour may by Order, based on the recommendation of the Equal Wages Commission, fix a minimum wage for workers generally or for workers in a particular industry undertaking. We therefore recognise Mr. Speaker, that there is, in many respects, advance work on this area throughout the CARICOM arrangement, so it is not Barbados alone.

Mr. Speaker, this is good and it is good because on the other hand as we move forward with a more vibrant Caribbean Single Market and Economy and the movement of labour across different islands and different industries there is the recognition that each island now is beginning to put structures in place to advise on minimum wage setting. We know no matter whichever geographical space of the world you are in, whether it is the folks in Eastern Europe moving into London City or into Germany, whether it is the folks from Syria moving to other parts of the Middle East, whether the folks are moving from one African country to the next or whether the folks are moving from Georgetown to Bridgetown, what is critical is that oftentimes it is those at the lower rung of the social economic ladder that are the ones involved in the moving and invariably they are the ones that perhaps are more subject to exploitation in the receiving State, and therefore it is always important that responsible governments in all

of these territories and all of these islands and countries do enact legislation to protect the workers - we call them migrant workers in the scenario that is pointed out, but even those who are not migrant or those who might be migrant from the sense that you move from the countryside to the city, internal migration as well which is another dynamic that we also weighed in on, I am not talking about going from Bridgefield to Bridgetown but perhaps a more significant transition - so that we know that whichever group you work in or whichever sector or industry you work in that at least there is a minimum wage.

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3.35 p.m.

Mr. Speaker, this is very critical because if we do not do these things as enlightened administrators, you would find not just exploitation which has a serious human toll but there is also the reality that when you pay a man a less than minimum wage, that man may be opted to turn to a life of crime to be able to supplement his income. Sir, that then creates a whole new set of social or demographic upheaval and problems that invariably may cost the State a lot more to fix and certainly perhaps a longer time to fix.

Mr. Speaker, let us recognised that we are not just talking here about setting a minimum wage, we are also looking at addressing some of the risks to our society. Sir, Barbados is much more than an economy, it is also a society and everybody must play a role in that society. We set out to ensure that each individual is given the right kind of space and environment to help them to achieve their full potential. In this particular scenario we want to wrap our minds around the minimum wage issue as well.

Mr. Speaker, of course, I can also go on and talk about the role of the International Labour Organisation and the various conventions and I must commend the Minister of Labour, the labour union leaders and others who have been making their way on an annual basis up to the International Labour Organisation in Geneva and to other International Labour Organisation conferences around, because they have been able to partner with others around the world who take great interest in such matters and create the kind of conventions that independent jurisdictions like Barbados have signed onto. Mr. Speaker, Barbados is seeking simply to honour its commitments to the International Labour Organisation's various conventions that speak to the issue of minimum wages, avoidance of exploitation among workers and generally-speaking, alleviating gender issues and other things that may take place in the workplace. Mr. Speaker, we therefore recognised that Barbados has these commitments that we adhere to as well.

Mr. Speaker, I certainly would want to give full support to this Bill that is before us. As I said, the reality about it is that it is, really and truly, going to create the kind of structure that allows the Minister to get the best possible advice. It is not a case where the Minister is advising himself or herself or where the Government is willy-nilly just setting wages at somebody's whim and fancy. In the draft legislation the Board is empowered to obtain and record information in relation to wages and other forms of benefits, terms and conditions of service affecting workers in Barbados and to keep the information there and to review it periodically and to advise the Minister on matters, as I said earlier. Mr. Speaker, there is indeed a research component that is very critical to the work of this Board. That research is kept and is built upon.

Mr. Speaker, we have individuals in our midst, oftentimes we do not have to go outside Barbados to find the right kind of skills sets, for example, economists, those who do research and productivity issues, the social engineers in our midst, we have a whole set of skills available in Barbados, we have people who have that thirst to do this kind of analysis whether that is qualitative or quantitative in nature. We have people who are able to go out there and unravel and understand what is at the core of some of these societal issues and to bring sustainable solutions to the fore. Mr. Speaker, therefore, we are satisfied that we are moving in the right direction. It is a mission that we are on, it is not just one little issue, it is really when you look at the bigger picture the direction in which the country has to go.

Mr. Speaker, for those who would say that in the midst of a challenging economy that we are going to do these things, let me tell you something. Just now when this economy is growing at maybe four or five percent and everybody is happy and unemployment is very low, those who have predicted about changes in currency rates are very disappointed because they have realised that it has become something of the past, when people take off their blinkers and shackles, intellectual and otherwise, and start to realise that Barbados is once again punching above its weight, an issue such as a minimum wage is just as relevant, so let us not fool ourselves that these are issues that are only discussed in the United States of America during the Great Depression. Mr. Speaker, up to 2015 minimum wages legislation was an issue in New York City and in Florida, so that there is no real correlation between minimum wage issues and the state of an economy, we must disabuse our minds of that. One does not need to be an intellectual to understand that, anybody who could spell Ada backwards ought to know that as well.

Asides.

Hon. D.O'N. INNISS: Mr. Speaker, as I said, it is an issue that really has no correlation between economy and matters like these.

Mr. Speaker, we are satisfied that the Ministry of Labour, the staff therein, the various partners in the discussion and the movement are all on board on this particular issue. The Minister, of course, will deal with matters such as appointments to the Board, support mechanism for them, et cetera, but I simply want to end where I began and to say that this Bill is not about the Government setting minimum wages. You are not going to hear tomorrow that based on the enactment of the passage of this legislation in Parliament today that the minimum wage in the garment, furniture or fishing industry is going to be "X" per hour. Mr. Speaker, we are simply saying that the time has come for us to take this matter seriously enough that we put an Advisory Board together to collect information, to analyse that information and to give the Minister the best possible advice as to what minimum wages would be in the respective sectors, as well as the terms and conditions that ought to apply for whom minimum wages is applicable.

Mr. Speaker, with these few words, I beg to move that this Bill be now read a second time.

Hon. A. D. BRATHWAITE: I beg to second that, Sir.

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

Mr. SPEAKER VACATED THE CHAIR. Madam DEPUTY SPEAKER ASSUMED THE CHAIR.

Madam DEPUTY SPEAKER: The Honourable Member for St. Michael South East.

Miss S. J. O. BRADSHAW: Madam Deputy Speaker, I rise to speak on behalf of the Barbados Labour Party to state a position in relation to this piece of legislation. Madam Deputy Speaker, as the Leader of the Opposition Barbados Labour Party would have stated in an earlier debate, anything which comes before this Honourable Chamber in relation to the issue of labour the Barbados Labour Party will support. The Barbados Labour Party was born out of the bosom of the Labour Movement and it is upon that basis that we continue to fight for the workers of this country and to be able to help to be part of the reform of any form of legislation relating to employment in this country.

Madam Deputy Speaker, I believe some time last year the Leader of the Opposition would have spoken to this country about not only a minimum wage for workers across Barbados but would have also addressed this

country on the issue of a policy direction for a future Barbados Labour Party or future governance in this country which also addressed the fact that no household in this country should go without a minimum living income, whether it is in the form of a job, a pension, National Insurance Scheme benefits or through additional welfare related benefits, or even where you have a situation of Government working with civil society to ensure that those who are most vulnerable are lifted up by some form and means of income in their household.

3.53 p.m.

This piece of legislation, as I said, we have no difficulty supporting but it is very difficult for a Barbados Labour Party to comprehend how we can have a Debate on this legislation without addressing the issues that are affecting every single Barbadian across this land. This is not a Barbados Labour Party issue; this is not a Barbados Labour Party concern alone. We cannot speak to minimum wages when in this country businesses are unable to keep their machinery moving, where people are unable to keep people employed, where, even as the Minister of St. James South has been heard to say, the people cannot get their Value-Added Tax (VAT) refunds in big or small businesses across this country. We cannot sit here and pretend as though it is business as usual. We are mindful, as other Barbadians are, that if it is that we even bring about this piece of legislation, there still has to be a policy position from this Administration as it relates to the health of the Barbadian economy. Where are we going as a country? It is not the Barbados Labour Party which has spoken to downgrades; it is the international community that is downgrading Barbados. It is not the Barbados Labour Party that has spoken on the fact that time and time again we need to be looking at whether the Barbadian dollar is going to be devalued. It is not the Barbados Labour Party. Local economists, regional economists and the international community are speaking on the future of Barbados; yet the Minister of Finance and the Prime Minister of Barbados continue to remain silent.

I say, Madam Deputy Speaker, I do not intend to delay this Chamber because I take the view of all Members of the Parliamentary Group who have made a decision that we will not delay this Chamber on any of these matters. We wish to hear from the Minister of Finance and the Prime Minister what the position of the financial state of this country is. We cannot talk about languishing projects in Barbados. We cannot talk about making sure that the National Social Responsibility Levy of the two per cent should be reversed for international business if it is that we are not dealing with the fact that we cannot employ people if we do not have certainty in the way in which we do business. Madam Deputy Speaker, I would give way at this point because I would hope that the Minister of Finance, in whom the direction of this country seems to be vested,

would break his silence on these issues and give the assurance to the people of Barbados that we are moving in a direction to be able to bring health back to the economy of Barbados; and to be able to ensure that persons who are below the minimum wage do not fall further below the minimum wage because these issues are not addressed. With that, I would give way.

Madam DEPUTY SPEAKER: Honourable Member for St. Lucy.

Hon. D.ST.E. KELLMAN: Madam Deputy Speaker, I rise to speak in this Debate and say that I fully support the concept where the Social Partnership is now having an opportunity to discuss matters like these. I must tell this House and repeat to this House that when I listened just now to the last speaker, I got the impression that the last speaker was not well informed by her parentage. I am well aware that the last speaker would have known that in 1981 the Honourable Member's dad would have been in the House of Assembly when the Barbados Labour Party took us to the International Monetary Fund (IMF). The Honourable Member is well qualified to speak on when things look suitable to go to the IMF, because it was the Barbados Labour Party which first took us to the IMF even though it was the Democratic Labour Party that joined the country Barbados to the International Monetary Fund. In 1981, right after a good bumper crop in 1980, the Barbados Labour Party took us to the IMF, and the first time we saw cuts in people's employment within Government was in 1981. Not only did we see people being cut, but we also saw something we had never seen before; where people were put on a short week. We also saw the introduction of levies and all of those things; so when you hear the Barbados Labour Party telling you what the wicket looks like, they are well qualified to speak on those matters because they would have taken Barbados to that position already.

Madam Deputy Speaker, because they took Barbados to that position, they would expect the Democratic Labour Party to follow them. That is why whenever they speak, they speak like economists about cut, cut, cut, but the truth is you do not grow an economy by cutting; you grow an economy by expanding the economy, and that is exactly what the Democratic Labour Party is doing. That is why we have expanded the tourism industry, we are working to make sure that the agricultural industry is expanded, we are working to ensure that the manufacturing industry is expanded, and we are also working to ensure that the service industries are expanded. All those persons who are out there saying you should cut, they cannot be speaking to the Democratic Labour Party because we understand that in order to deal with the economic situation, we will continue to build out the tourism, manufacturing and agricultural industries, and do

everything within our power to ensure that the services sector in this country is put in a particular position.

Madam Deputy Speaker, for years while in Opposition I have always made this point; and I hope the Committee will also look at this because I have a way of thinking that a lot of people sometimes do not understand and that there is a misunderstanding in what I say. We have to be very careful, and I am glad that the Minister of Labour has put this before a Committee. I hope one of the things which they would look is not so much the focus on minimum wages but to see how employers can give something better than a minimum wage. Madam Deputy Speaker, the reason I am making this point is because some people use minimum wages as if it is law, and they say this is what Government has proposed and this is what they are going to pay and no more. I am saying that minimum wage is not supposed to be interpreted like that, but it should be seen as the least amount you can pay and not necessarily the maximum amount you can pay. Too many people take minimum wages to mean that this is what it should be and no more. I am saying that now that the Minister has been so brilliant and has taken it to a Committee, I am asking that Committee to look into these matters and have a wider view and also to ask their partners not only to stick to the minimum wage aspect of it but to see how they can move from beyond the minimum wage.

That is why I always proposed to the Barbados Labour Party when they were in Government. They are very fast to talk about the number of downgrades which the Democratic Labour Party has been able to attain, but do you know what is interesting, Madam Deputy Speaker? The first Government in the world that I know was downgraded when the economy of the world was good, was the Barbados Labour Party. I want to repeat that: The first Government in the world that I know was downgraded while the world economy was good, was the Barbados Labour Party. Madam Deputy Speaker, if you doubt me, go back to 2002-2005 and see that when the world economy was good, the Barbados Labour Party was downgraded three times. Can you imagine that? One would expect a country to be downgraded in bad economic times, but they have created a record that no other government can break; being downgraded in good times. Now they have the gall to come in here and speak about downgrades. Anybody expects a country to be downgraded in bad times, but not in good times, and this Government would never be able to break the record set by the Barbados Labour Party where they were able to create downgrades in good times. The records are there; go and check them and you will see.

What I love about the Barbados Labour Party is that they commit these things and then when you hear them speak, you do not get the impression that they are the ones who laid the foundation. They can do all the wrong in the

world and it is good, but when you are trying to correct wrong, you are still wrong for them.

3.55 p.m.

INSERT S26 JULIETTE

Tuesday, January 17, 2017

Mr. J. D. PAUL: ...in some cases they are not unionised. With the advent of certain types of industries in this country we have seen a situation where workers at times are actually in fear of joining a union and some of them stand in fear of standing up for their rights so they are outside of the normal union establishment and that is why sometimes when we see the arguments being made by the traditional unions for wage advances, a lot of these wage advances that they get come at the expense of workers in other sectors who are unable to stand up to get better wages and that is essential.

Madam Deputy Speaker, the significance of this particular piece of minimum wage legislation and the impact it is likely to have on those thousands of workers in Barbados who currently do not belong to a union, who sometimes employers sit down and find ways of preventing those people from belonging to a union, is something that we need to take into consideration. There are even some industries in Barbados where unions are ineffective because they cannot get the workers organised, so at least now you have a legal force.

I know that the Honourable Member for St. Thomas would laugh at this because these people are not important to the Honourable Member for St. Thomas. The Honourable Member for St. Thomas would frustrate any efforts to organise these workers even the farmers in her own constituency. The Honourable Member for St. Thomas would frustrate any effort to get them organised because they are working on behalf of the money interests in this country.

Madam Deputy Speaker, I want the ordinary Barbadian to understand how this particular piece of legislation is so important for them. Mr. Speaker, that is why there is no song and dance on the part of the leadership of the Opposition to recognise the significance of this particular piece of legislation because it has a challenge for employers. We know that because we operate in a jurisdiction which is a high-cost jurisdiction that the cost of obtaining services are higher than in many other destinations in the Caribbean. Again, I emphasize that the legislation at least confirms that Barbados is not in a race to the bottom, that it is in a race to maintain a standard of living for ordinary Barbadians and to get the buy-in by businesses through making sure that they can get a decent wage.

Madam Deputy Speaker, the argument is this. If we are saying that we should pay our civil servants properly, and we agree that our civil servants should be paid properly because when you compare the level of wages of our civil servants in Barbados there are significantly higher than the level of wages paid to civil servants in other Caribbean countries and we do not argue that, why cannot we argue for better benefits on behalf of other sectors of our workforce, which is those, as I said before, who are employed in occupations where there is no union. They too want to enjoy similar benefits but we have a situation where over the years we have created two Barbadoses: one for the privileged class, of which the Barbados Labour Party is part of and that is why again they are silent on it, and the other one is that which the Democratic Labour Party fights, which is the underprivileged class which is why we are introducing this particular piece of legislation to the House today. I think it is really one that we need to understand its significance again.

Madam Deputy Speaker, why it is so significant and why employees would find it difficult in terms of the challenge is because we need to understand that in the type of the worldwide economy we are facing today, where because of the previous trade agreements that we signed, we are forced to compete. The fact of the matter is that a lot of the products we are forced to compete with are produced with labour that in some cases are paid one-tenth of what the workers in Barbados are paid. I travel through my constituency constantly and I saw a product that came from somewhere out of South Africa and this product which was being sold by one of our popular stores was selling for a ridiculous sum of money. The point I wish to make is that the country from which it originates, South Africa, is a country in which we all know there is exploitation of labour where workers are paid far less than the minimum wage that we could even contemplate and where workers live in conditions where in some cases there are still dirt floors. People do not understand that there are workers in some parts of the world today from which we buy services who still live in substandard conditions, where their children do not go to school and are not guaranteed any primary or secondary education. We compete with countries that have workers in these conditions and as Barbadians we have to appreciate how fortunate we are because of the fact that we have a Government who is prepared to at least cement the gains that we have made since our independence in order to make sure that ordinary Barbadians in this country will not be exploited by businesses that come here looking for cheap labour. Madam Deputy Speaker, it is not only that. Some of those businesses would want you to work beyond the normal hours. These are the issues that we need to bring home to the ordinary Barbadian as to why this legislation is being done.

Madam Deputy Speaker, I know that if the Opposition, instead of rubbing shoulders out there on the streets with people, go out there and listen to the people who work in some of those industries and understand what they go through they would begin to understand why this particular piece of legislation is so revolutionary and why they should do more than just give a few words. They should stand up and praise this Government for the fact that they are introducing this particular piece of legislation at this time, not laughing like the Honourable Member for St. Thomas. I feel bad about it. The Honourable Member is laughing at it as if it has no significance when it very well has some significance.

I also want to say that the challenge of employers come in this way, that what we would need to do in the workforce is to now take advantage of the natural advantage I think Barbadians have in terms of an educated people and use the technology that we have afforded to us to see if we can compensate the disadvantaged that we have in terms of the high labour rates that we have here and the low labour rates in terms of the other countries we have to compete with.

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We certainly need to do that and the challenges are going to be great. Madam Deputy Speaker, I do believe that with cooperation of the private sector in this matter and the fact that we continue to produce a labour force that is skilled, one that has the type of competence to do what needs to be done, that we can succeed. Madam Deputy Speaker, there is the question of attitude and we need to recognise that unless our workers have the type of attitude to compete in this environment that will enable them to produce the products and services that will allow those products and services to be able to compete on the international markets, we will not be able to do so. Madam Deputy Speaker, we have shown that despite the fact that we have maintained high labour cost in some areas where pay our people well, where we do not pay our people below the minimum wage standards, we have still been able to compete with those goods and services abroad.

Asides.

Mr. J. D. PAUL: Madam Deputy Speaker, I agree with the Opposition that it is now our duty to look for ways of creating additional employment opportunities for our people, but the only way that we can create those additional employment opportunities for our people would be by being creative and innovative and by bringing out that creativity and innovation in our people. That is why in a sense our education system is going to play such a critical role in helping us to do that.

Madam Deputy Speaker, again, that is why this particular piece of legislation is so revolutionary because at least it acknowledges the fact that we continue to produce Barbadians from our educational system who have skills. Madam Deputy Speaker, I do not think how sometimes we can demean that individual when after going through university or secondary or tertiary school and then coming out and being told by people who exploit them that despite whatever qualification that they have, they have to work below a minimum wage. We do not understand that.

Madam Deputy Speaker, I note again that the Members of the Opposition would not empathise with that because they speak to a different world, their view is that Government should be able to create employment or to employ everybody in this country. Ma'am, this is really and truly, a twisted view, but it does not sink in with the reality of what we within the country, in the context of the economic times with which we are faced, the responsibilities of the Government in this kind of environment where we need to look and see how businesses could become creative in creating employment opportunities for people, and how do we compete in that kind of environment in the world today to produce products that can be sold abroad. Also, how do we maintain the motivation among our workers in this country.

Madam Deputy Speaker, by putting in place the minimum wages legislation alone will not do it, the truth is that unless we have a motivated workforce that is committed to the various areas of industrial and sectorial activities in which they are employed, we will not realise the true potential that Barbados has. We will not be able to effectively compete in the world market. Certainly, if we can give the impression to Barbadians that Government is trying to ensure that at least they are not being taken lightly within the workplace, at least that can help to create some type of confidence on their part that they are able at least now to be taken seriously in the particular field of endeavour in which they would want to go. Madam Deputy Speaker, I think that it is extremely important that Government compliments the efforts that those creative and innovative entrepreneurs or businesses out there are making, to ensure that they can continue to provide employment for ordinary Barbadians.

Madam Deputy Speaker, with that brief intervention, I wish to indicate that this particular Bill has my total support and that I compliment the Minister for introducing this legislation at this time, which I am sure will benefit thousands of working-class Barbadians out there. Ma'am, I think we need to give the Honourable Member credit for that. I thank you.

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

Hon. D.O'N. INNISS: Madam Deputy Speaker, I want to start my wrap-up on this debate by thanking those Honourable Members who have spoken: the Honourable Member for St. Michael South East, the Honourable Member for St. Lucy and the Honourable Member for St. Michael West Central, who all gave a perspective on the issue. As I said at the very beginning, this is about establishing an Advisory Board to the Minister to determine matters that are pertinent to minimum wage settings in Barbados and the conditions that are attached to employment thereon.

Madam Deputy Speaker, I am mindful of the eagerness of others to get to a discussion about the state of the economy, the same discussion I guess that is held every day on the social media, the same discussion that is held perhaps every day in some quarters of the media, the same discussion that is now the flavour of the day in the shops and other places around the island and perhaps the same things will be said whenever these debates take place. Ma'am, but as I pointed out, none of us must be oblivious of the circumstances within which we have to function. Nobody has ever said that it is easy, I have always contended that there are challenges but if you spend our time focusing on the negative things we will never get an opportunity to focus on what is positive in our society.

Madam Deputy Speaker, as I said when I first introduced this Bill, this is a matter that has perhaps no correlation or relationship with the state of a macro economy. The United States of America that is the largest economy, a very vibrant economy, one that is seeing some growth as people talk about, it still engages in a very robust manner, almost every day, about minimum wage in the various sectors in that country. Sometimes it is centred about the exploitation of those who are Mexicans and perhaps Latinos who enter the United States of America seeking employment; perhaps it is centred on immigration issues, on who is legal and who is not legal; perhaps it is centred on race and class issues. The reality about it is that that giant up north, the United States of America, is grappling with minimum wage issues as well in particular sectors of the economy, and perhaps the economy of the United States of America is perhaps looked upon as the most capitalist in the world, the one that market forces really determine a lot, where competition is encouraged and fostered every day and in every area, whether it is in goods and services, yet the State has to intervene to establish minimum wages in certain sectors of that economy.

Madam Deputy Speaker, if you look the other side, perhaps in China, maybe at the other end of the economic spectrum in terms of their philosophy, in terms of their socialism or whatever, there is a measure of that too that exists. Perhaps the United States of America is far more involved in setting prices and such than in some other

liberal economies but the reality is that fundamentally in most modern economy the State has to intervene.

4.35 p.m.

Let us disabuse our minds that this Bill before our Parliament in Barbados today is fashioned because of any state of the economy. As a matter of fact, if you take your blinkers off -- not you, Madam Deputy Speaker, you never have those on -- but if others would take their blinkers off, they would also recognise that it is part of a crusade towards really growing out this economy, diversifying it and so on. At the end of the day, if there is exploitation in any aspect or any sectors in our economy and society, it is going to be contagious and it is going to spread to other parts of the society, and then we are going to have some societal issues that will take us a long time to address; which may have far-reaching financial implications for the State and private enterprise. Let us therefore not get all excited and feel that a conversation about a minimum wage could only take place if there is a conversation about the national economy.

Let me make it clear to those who want to spend their time talking about the issues that have been raised, including the Honourable Member for St. Michael South East. I am not dismissing them. I am not saying they are not relevant issues. I am not saying they are not issues that the State cannot and should not address. However, when I see from my own end the efforts of ordinary Barbadians to start and grow businesses, I cannot spend my time talking with them about negative things such as economic indices and such like. I want to talk with them about how we can generate foreign exchange; so while others want to talk about the currency values and pegging the currency, et cetera, yes those things are important -- I am not going to run away from them -- but I also want to talk about the things we can do to earn foreign exchange for this island. Last week, for example, when Doyle Offshore Sales in Six Cross Roads Industrial Park in St. Philip, celebrating 30 years of existence in Barbados, can have on board employees who have been with them for 28 years, it says a lot about the way that company has been functioning, and the fact that they did not need any Minimum Wage legislation. They know that they paid their workers well. They provided the right environment, encouraged the workers to think and act outside the box, and to feel a part of the enterprise; and today they can boast that the majority of their workers have not left them and gone elsewhere. Just as important, they are earning almost US\$2 million a year for the Barbados economy. There are vessels and yachts around the world, almost in every ocean, which are operating based on sales of products manufactured in Six Cross Roads Industrial Park by average-looking Barbadians around here. Those are things we want to talk about.

When Wibisco increases its export of biscuits from Barbados into other Caribbean islands, earns more in foreign exchange and maintains a certain employment level, those are things we must also celebrate. When our musicians get on an aircraft and go to Toronto, New York or London city to perform, even if they are doing back-up, those are things which we must also celebrate and encourage. I am not saying that we do not have challenges in the economy, but if you have challenges in your own domestic space, what do you do? Do you grumble and complain every day? No, you roll up your sleeves and you find solutions. That is what we have to do as a country. Our founding fathers and forefathers would roll in their graves when they realise the quality of debates which sometimes take place in this society. Men and women who should really care about Barbados, put the country's interests first. That is not what this country is accustomed to, and I have to be fair to all concerned. It happens all over the political divide. The reality about it is that we must all work together to make Barbados function more effectively; and constantly harping on negativity and negative things is not going to grow this economy. The things you say in the local newspapers are things which are picked up in other parts of the world instantly. When I get out of my bed on mornings, I can pick up commentary about things mentioned in the media in Barbados from friends and family in the United Kingdom, Germany or other parts of the world, because they are a couple hours ahead of Barbados. They worry and get concerned, and I have to respond to them.

My view is that the Government cannot run away from engagement in the conversation. No. The Government cannot, should not and will not run away from engagement in conversations around the economy, but we have to be careful that we do not constantly engage in a cesspool of negativity all of the time. Madam Deputy Speaker, like you I have children growing up in this society and this economy. I have to be concerned too about their future. I have to find solutions to make Barbados a better place and a place of greater opportunities for them as well. I have constituents, whether they are in Haynesville, West Terrace, Crystal Heights, Husbands Heights, Husbands Gardens, Paradise Heights, Clover Gardens, wherever.

Aside.

Hon. D.O'N. INNISS: I have constituents who have legitimate concerns. We have gone through a little period here where there is that level of uncertainty and a little concern, but do you know what? We are going to get out of this. Half of the task, as I keep saying, is thinking and acting positively. If every morning I get up and find something to complain about and nothing to celebrate, I would soon turn grey, old and miserable, and others -- I look like Trevor Prescod -- would move beyond me and start to find all the positive things to move themselves

forward. Madam Deputy Speaker, this is why I say that this conversation about the Holidays with Pay Act, the Amendments, the Labour Department legislation and now the Minimum Wage Advisory Board are all an integral part of the new Barbados. We have started to make a paradigm shift towards creating that kind of enabling environment where employees can feel protected, safe and secure in their work spaces and in their jobs; and at the same time where employers in preparing contracts of employment know the Rules of Engagement and there can be a level of certainty.

What we need now, armed with all of this supporting mechanism, is to roll up our sleeves, lock our arms together and say, "Let us get this economy kicking." I feel the pain as a Minister sometimes when I see things not happening in my Ministry and in other parts of Government, and I have to speak about them too. However, the reality about is that at the end of the day, we have to find solutions; sustainable solutions. Madam Deputy Speaker, I am not worried. I am more worried for those who want to see Barbados fail. I am more worried for those who want to see the Barbados currency go a certain direction. I am more worried for those who feel that some day soon we will have no effects in this country. I worry for them, because let me tell you something, Madam Deputy Speaker: Those same individuals have to live in this society. Those same individuals will some day realise that they may have to pay a hell of a lot more for basic goods and services. They may realise that they have to exist in atmosphere of physical insecurity. They may find that there is an atmosphere of sheer hopelessness permeating every facet of their society, and that is not the Barbados we want. We can do better than that. We must do better than that. Yes, there are some pockets of uncertainty. Yes, there is a bit of discomfort. I am not going to bury my head in the sand. I am also a Member of Parliament, and I listen to my constituents and engage with them. I feel the pain. All of us have gone through some challenges. Do not feel that politicians are immune from this, because there are some people who believe that we live in some bubble, and that if there is an increase in prices we do not feel it. I am the Minister who has responsibility for signing off on fuel adjustments in this country, and the file comes and I review them, look at the analysis, look at the recommendation, sign the order and send it off to be gazetted or whatever.

4.34 p.m.

INSERT S30 JULIETTE

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Hon. C. P. SINCKLER: ...There was a simple but very critical omission in the Resolution document which is the omission to identify under which Act the loan would have been facilitated. It should have been stated in that

Resolution that was passed by the House of Assembly that it would have been drawn under the Special Loans Act, Cap. 105, I believe it is, so that would have been an error in the Resolution drawn and so we now have to rescind this and relay it. Of course, this relates to the US\$15 million facility borrowed from First Citizens Bank Limited of Trinidad and Tobago to facilitate the purchase of equipment for the Barbados Revenue Authority and the Customs and Excise Department, and we have already had a debate on the matter. I would also like to give notice that in doing so we will have to call the new Resolution which would include in that Resolution document the amendment to the Special Loans Act Cap. 105 so it is specifically specified where that loan is being facilitated, so I ask that this Resolution to rescind the existing Resolution that was passed by the House of Assembly on December 13, 2016 be now passed.

Hon. D. O'N INNISS: I beg to second that, Sir.

The question that the Resolution be rescinded was put and resolved in the affirmative without division.

ORDER No. 22

RESOLUTION THAT PARLIAMENT APPROVES THE BORROWING OF THE SUM OF US\$15 MILLION FROM THE FIRST CITIZENS BANK LIMITED IN TRINIDAD AND TOBAGO BY WAY OF A REVOLVING CREDIT LINE, THE PROCEEDS OF WHICH WILL BE USED TO FUND PROJECTS APPROVED BY THE GOVERNMENT IN ACCORDANCE WITH THE REQUISITE CRITERIA FOR THE UTILISATION OF FUNDING AVAILABLE TO THE GOVERNMENT FROM THE DEVELOPMENT BANK OF LATIN AMERICA

MADAM DEPUTY SPEAKER: Yes, Honourable Member.

Hon. C. P. SINCKLER: Madam Deputy Speaker, consequential on the Parliament's rescission of the original Resolution, I now beg to move that this Resolution to permit the borrowing of US\$15 million from First Citizens Bank Limited in Trinidad and Tobago for the facilitation of the purchase of equipment for the Customs and Excise Department and of course the Barbados Revenue Authority do now pass.

Hon. D. O'N INNISS: I beg to second that, Sir.

The question that the Resolution do now pass was put and resolved in the affirmative without division.

ORDER No. 23

Banks (Tax on Assets) Bill, 2017

MADAM DEPUTY SPEAKER: Yes, Honourable Member.

Hon. C. P. SINCKLER: Thank you very much, Madam Deputy Speaker. You would recall that in the August 2016 Financial Statement and Budgetary Proposals the Government announced that it was its intention to extend the tax on bank assets which had previously been put in place during 2014 to facilitate part of our fiscal consolidation programme. As you would recall that was part of the 2013 measures and it was put in place officially by way of legislation in 2014 and ran for an additional period beyond that in 2014 and 2015. It was determined that as a way of continuing to bring valuable revenue into the Treasury to facilitate the works of the Government that the tax on bank assets will continue for an additional period beyond the March 2016 closing period for that piece of legislation. In addition, it was also determined, given the fact that we were going to discontinue the tax on credit unions, because we had included credit unions under the other non-bank financial institutions asset tax and also the discontinuation of the consolidation tax, that in order to assist with making up some of the lost ground that would have resulted from the discontinuation of those taxes that one of the things we would do would be to continue on for an additional period the asset tax on banks and also the institutions which we will do next and to increase the rate from 0.20 per cent to 0.35 per cent per annum. In that context, we asked the Parliament for and received approval for that to be put in place. We have now brought the legislation. This is of course not new. It is a tax that is continuing. All we have done is to increase the rate.

You would see in the Tax Assets Bill, 2017 that Section 5 sets out the formula as usual for computing the average domestic assets of a bank, Section 6 specifies the manner in which the tax on assets for the banks should be levied, Section 7 outlines the treatment for late payment on the assets, fortunately we have not had much of that, and Sections 8 and 11 respectively outline the administrative requirements related to the keeping of records for the conferred and ancillary powers of the Revenue Commissioner, responsibilities of course for the collection of the tax and the procedures to be adopted for default of payment including filing of unpaid certificates to the Revenue Commissioner and the other administrative issues, and Section 12 makes provision for the payment of refunds if under circumstances the Revenue Commissioner identifies there have been an overpayment of funds by any financial institution in this case by a bank.

By way of update, I can say to the House of Assembly and of course to the country that thus far for the fiscal years 2015 and 2016 the Banks Assets Tax collected \$20.4 million roughly and for 2015-2016 we collected \$20 million roughly, so about \$40.4 million give or take have been collected under this particular tax itself, and this is

only for the banks so it has provided a much needed boost in revenue for the Government in these challenging periods in relation to our fiscal work that we have to do.

I want to commend this Bill to the Honourable House as part of the measures that we announced in the Budget as we put the permanent legislation in place to make them fully legal and ask that this Bill be read a second time.

Hon. D. O'N INNISS: I beg to second that, Sir.

MADAM DEPUTY SPEAKER: The Honourable Member for St. Michael North East.

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Madam DEPUTY SPEAKER: The Honourable Member for St. Michael North East.

Hon. Miss M. A. MOTTLEY: Madam Deputy Speaker, I would use this opportunity to remind this Honourable Chamber that the first time that this Administration introduced a Bank Tax on Assets was in August, 2013, if my memory serves me correctly, as part of the 19-months' Fiscal Consolidation Strategy which the Government introduced. That Strategy was subsequently extended, and I think the Minister of Finance and Economic Affairs has correctly informed the Honourable House that he took the deliberate decision and judgment in the last Financial Statement and Budgetary Proposals that he would want to extend this tax as a viable tax to protect and to enhance the revenue of Barbados.

Madam Deputy Speaker, in all sincerity I want to say to the Honourable Member, because in spite of all the temptations and the inciting today is not a day for me to take a position other than one that says to the Minister of Finance and Economic Affairs and to the Right Honourable Prime Minister that this country needs to hear them. This country needs to hear them address issues of fundamental importance to the economy. Madam Deputy Speaker, let me set out the case why, because this is not a case of one-upmanship or anything. Ma'am, on November 11th, 2016, the Jamaica Money Market Brokers Limited took a decision which we do not agree with, but nonetheless they took a decision to advise the sale of Barbados' Bonds in the market. Madam Deputy Speaker, I would now like to make this a document of the Honourable House. It is entitled: "Barbados: Time to Sell." On the penultimate page it recommends a sell on Barbados' Bonds, which as I said we disagree with, but this is the news that was circulating throughout the entire Caribbean region and obviously further afield.

Madam Deputy Speaker, they made the point, and I quote:

"The fact also that the surplus and the capital and financial account is not enough to close the current account gap suggests that there will likely be Balance of Payments concerns in short order. Where there is a Balance of Payment crisis, an International Monetary Fund bailout is not far off. Another threat to the Currency Peg stems from the negative usable reserves, the widening of the Monetary Base via direct Government financing has pushed usable reserves into negative territory. If usable reserves are negative, there is also the added threat highlighted by the external vulnerability indicates a deterioration."

Madam Deputy Speaker, these are a lot of words but in plain language they were concerned about the quality of our Bonds and hence they have advised people to sell them off.

Madam Deputy Speaker, that was 11th November, 2016. In early December, in fact, less than a week after the President of Guyana had left us after celebrating the 50th Anniversary of Independence we received news that the Bank of Guyana had stopped accepting Barbados' and Trinidad and Tobago currencies, and we have had no statement assuring, calming or talking to the people of the country. Madam Deputy Speaker, there a lot of trade that goes on between Guyana and Barbados. The Minister of Industry, International Business, Commerce and Small Business Development has led more than one trade visit to Guyana in this term of Government. What we now have is a situation where persons who are seeking to trade with Guyana have now to find hard currency at the very time that neither the Minister of Finance and Economic Affairs nor the Governor of the Central Bank of Barbados would readily want them to find hard currency, namely United States of America dollars, to pay for their goods and services with which they are trading Guyana.

Madam Deputy Speaker, in addition, we knew that Standards and Poor's had done a downgrade to a negative outlook. We then had Cari-CRIS a week ago, and Standard and Poor's basically saying that they are standing by their previous assessment of the Barbados economy, so that in one week you have Cari-CRIS, a Caribbean rating agency which assesses regional bonds, and then you had Standard and Poor's saying that they were going to remain with their downgrade of the credit rating of Barbados.

Madam Deputy Speaker, it has not helped that the Government of Barbados has continued to rubbish the issue of credit ratings and we have said over and over again that you cannot. Madam Deputy Speaker, we now see it in tangible form, with SAGICOR domiciling to Bermuda. This is a company that was previously Barbados Mutual; this is a company that was started in the 19th Century; this is a company that was integral to this country's history, although regrettably, its larger shareholder is now Trinidadians. Madam Deputy Speaker, since they could not

access money to borrow at rates of interest that they should otherwise access it on because of Barbados' sovereign credit rating, they took a decision to domicile to Bermuda and we now know that it is working for them.

Madam Deputy Speaker, downgrades do matter. Last week we had Cari-CRIS and we had no words of assurance or of calm and we have given the Government a wide berth on these matters, we give them the benefit of Christmas, the benefit of the vacation, but we are now fully into 2017 and people want to be able to plan. In addition, as if that were not enough, the first economic statement of the year came from no less a person than the Governor of the Central Bank of Barbados. Madam Deputy Speaker, I now make this newsletter a document of this Honourable House, entitled: "We are the craftsmen of our economic fate."

Madam Deputy Speaker, what is the first Message from the Governor of the Central Bank of Barbados in the year of our Lord, 2017? Ma'am, I quote:

"The foundation for growth is a stable economy and in Barbados that means a balance between foreign exchange inflows and outflows. We know when we have achieved that balance, because in that case we do not have to dip into the Central Bank's Reserves of foreign currency to make up the difference. The country has failed to achieve that balance since 2013 and there remains a need to dampen spending further in order to protect the country's reserves and foreign exchange."

Madam Deputy Speaker, I want to repeat that sentence because when you listened to the General Secretary of the Democratic Labour Party highhandedly, contemptuously and arrogantly dismissing the concerns that we have voiced on Saturday as things to be dismissed, he was not dismissing us, the business people in this country are worried and the people who have jobs are worried that a Governor of the Central Bank of Barbados has said that this country has failed to achieve that balance since 2013. The Governor was talking about the balance between inflows and outflows of foreign exchange.

Madam Deputy Speaker, if the Governor were to give us numbers we would know that in January 2013 we were just under \$1.5 billion. If we were to go by his last Central Bank's Report for the end of October, I think he had it somewhere around \$880 million, and I speak subject to correction. Madam Deputy Speaker, what worries us is that there continues to be daily reports from members of the business community about the queuing for foreign exchange. In addition, the Central Bank of Barbados, I believe, reintroduced controls on Current Account transactions, something that had been liberalised 13 or 14 years and there was no comment about it in the country, neither from the Government nor the people. What worries us, Ma'am, is that he then goes on to say that Government

is committed to a further reduction in the fiscal deficit in order to relieve pressures on foreign exchange reserves.

Madam Deputy Speaker, when we combine this with the actions of the Bank of Guyana, the actions of the Jamaica Money Market Limited, with the comments of the President of the Barbados Economic Society, Jeremy Stephen, who told us that there must be serious concerns regarding the value of our dollar and continued commitment to a fixed exchange rate.

5.05 p.m.

Then we combine that with other regional economists. Then we combine that with the talk-show host Maureen Holder at the Democratic Labour Party headquarters on Friday. All of a sudden she is telling us that the International Monetary Fund (IMF) has changed and not to be frightened about the IMF anymore. That came after the Deputy Chairman of the Central Bank's Board, Justin Robinson, had previously last year told us too about the IMF in an address at the Democratic Labour Party headquarters. If we are not going there, just say we are not going there. If we are going or you are now in the business of trying to make up your mind because there has been a change in circumstances because of the queuing of foreign exchange, because of the decline of reserves or the clear messages of the Government, then you cannot write this note on January 3, coming on the heels of the Bank of Guyana on the week of December 10, coming on the heels of everything else, and not a word. It is stony silence.

The Barbados Labour Party is therefore taking a very clear and principled position. It cannot be business in Barbados as usual. We said it at the end of last year. This Government brought a new project -- acquisition of land to build a roundabout -- in circumstances where it cannot even pay the money which it owes people. How does a Government start new projects when it cannot pay for existing ones? How do we come in here and commit to the acquisition of land to build a new roundabout in Collymore Rock when we cannot fill potholes in the country? The potholes, with all due respect, Prime Minister, are not an inconvenience. The Minister of Industry claims that it has cost him over \$3 000. I have constituents who have complained. I have been a victim. There are other Members on this side who have been victims. It is a real issue, and all we are saying is that Barbados needs to do the right things to keep Barbados working for Barbadians before we start talking about this new project and that new project. It cannot be business as usual.

I would like to think that the Minister of Housing is not happy with those tens of houses up in River, St. Philip, with bush all over them. The irony is that he went to Facebook to respond to our candidate, William Duguid, and ended up showing the same houses with bush and

vines running up the verandahs of the same houses. I found it amazing. Unless his hand could not focus properly at the time. There is no Member of Parliament on that side or on this side who would want to keep houses empty in this country, but we have a problem, and I am appealing to the Prime Minister and to the Minister of Finance -- to the Minister in particular -- because this Banks (Tax on Assets) allowed him debate to give us an update on where we are and what our options are. Is it now time for us to consider other things beyond his homegrown programme? Do we need an injection and do we need further adjustment, as the Governor of the Central Bank told us on January 3? Do we need to take further protective action? This goes beyond you all and us. This goes beyond the Democratic Labour Party and the Barbados Labour Party. This is the lives of Bajans. These are people's businesses, some of which have already fallen through the cracks. These are people out there who do not know where their next meal is coming from. I am not exaggerating. There are people for whom the Welfare Department cannot provide sufficient assistance. Sir, I am saying to you that the questions which we ask are not our questions but they are genuine concerns. They are concerns as to what really is the situation. There is nobody in this Chamber, whether Democratic Labour Party or Barbados Labour Party; I daresay there is nobody in either Chamber of Parliament who will want to see any movement away from the fixed exchange rate of Barbados. I want to repeat myself: We must fight with every fibre in our body against any form of devaluation, because Barbados has one asset, and that asset is stability; and the day we lose stability is the day we can no longer command the value-added that we command in tourism or in international business, or in other aspects of our economic output. Therefore, if it is necessary to bind this House as one and to bind this country as one to confront the realities that face us, then I say to the Prime Minister and I say to the Minister of Finance, "Let us do it. Let us stop the drift. Let us confront our reality." Whether we like it or not, our age alone determines that we have probably lived more of our lives than what lies ahead of us. What bothers me are the people who are now children, who are now in their 20s, who are now in their 30s, who expect to enjoy a quality of life similar to that which we have enjoyed.

What we do know, Sir, is that procrastination is the enemy of progress, that procrastination is the first step to failure. What we also know is that if we have further decisions to make as a country, then, in the language of the Governor of the Central Bank, we must come clean and ask Bajans all to lift weight because many hands make light work. We were all taught that in primary school. What we cannot have, however, is whispering, concern, anxiety, statements from economists, statements from the Governor of the Central Bank, actions by agencies, downgrades by agencies; we cannot have it.

Mr. Speaker, when the prison burnt, the one thing I knew that I had to do was to talk Barbadians through the crisis and to give Barbadians the assurance that they could go about their business day-in and day-out without fear, because fear is a paralysing emotion. If people do not know what faces them tomorrow.... There are people in this Chamber who do not have any big set of bank savings, and if this country is to face the worst, they would not know how to recover. They do not have enough time left in their working lives to recover. How many people do we have over the age of 50 in this country to which that applies? You are talking about tens of thousands of people. There are only a handful of people who may not be worried about the worst happening. We have shown that we have the resilience as a people to confront any challenge, and I say to this Government, "If this appears to be about one-upmanship, I take it off the table." I am not cursing anybody, I am not blaming anybody today. I am making a plea, an entreaty from the heart. There are Barbadians who deserve better, and the first thing they must know is what we are facing. What is the new plan, because the current plan is clearly not working if the reserves continue to dwindle?

As I said on Saturday, there are Barbadians who are in the business sector who would like to know how they are going to pay for their goods which they have imported. In many instances, people who had excellent credit are now being told by their suppliers that they have been reduced to 30-day credit. It is not that they do not have the money to pay for the goods, but they cannot get the foreign exchange to send to the suppliers to pay for the goods. There are Barbadian enterprises, and I believe the head of the private sector addressed it recently again, who know that without the Value-Added Tax (VAT) refunds their businesses are going to find it difficult to continue to operate, to buy goods, to buy services, and to pay the overdrafts which they have to pay at the banks. These are serious concerns.

5.13 p.m.

There are Barbadians who have not had a salary increase since 2010 and who instead of hearing whether there is going to be a public sector wage increase are hearing that there has to be further fiscal consolidation. That is a euphemism to them, you are not getting or you might not even have a job. These are real concerns. We really can avoid the worse but we have to confront it together as one Parliament and as one people.

Madam Deputy Speaker, I, therefore, will sit today repeating that we cannot conduct debates in this Chamber as if it is business as usual. We cannot embark on new projects as if we had money to pay when we cannot even pay old bills that we owe people. We cannot proceed with business as usual. If all that the Minister can say and can report is that we are going to see an upswing, then he

should say so. If it is that he has some money that is being prepared to be brought in to help stabilise the reserves and to keep this country afloat, then he should say so because as President Obama said last week in respect of any replacement of Obama Care, I would be the happiest person in here if we can say that the Governor of the Central Bank of Barbados misspoke, I would be the happiest person in here if we can say that the Bank of Guyana acted improperly and wrongly and I would be the happiest person in here if we can tell the President of the Barbados Economic Society to review your comments you are speaking out of turn. These are the facts.

Madam Deputy Speaker, I would be the happiest person in here if instead of downgrades we could see a revision of our credit rating on the upward scale because the fate of this country goes beyond the next election or even the election thereafter. The fate of this country is what is at stake. We have seen what has happened in Jamaica 40 years on. We have seen what has happened in Guyana and ironically Guyana is really now being saved by reason of offshore oil reserves which actually were done around the same time as us.

The Barbados Labour Party stands ready to put this country on an even keel. I want, I would like and I am begging for the Honourable Minister of Finance and the Honourable Prime Minister, you do not have to do it today, to talk to the country soon, and secondly, to consult with the Opposition because we are not enemies of the State, we are sworn to protect this country. We love Barbados and whatever must be done to protect this country at this stage after six failed plans we are prepared to sit down and discuss. We may not agree with you on every strategy. We may have a different approach like we have a different approach in education but what we have to do is to develop a consensus and let the people of this country know that this fight is not going down so and that the children of Independence will not inherit a country that was bountiful and as a first generation of independence pass it on in a beleaguered state. It is akin to asking a person who has not eaten for months to go and run a marathon, they are just not physically capable of doing it, but if we put our heads together, and we have been thinking, there are ways that we can get out of this but the frightening thing is that we do not even know what is the state of arrears separate from what the Government is admitting to.

The International Monetary Fund and the World Bank Economic Report on Barbados have said - I see he has quoted it - that they estimate that the arrears are about 11.5 per cent of the Gross Domestic Product (GDP) which would mean that our debt to GDP ratio is somewhere in the vicinity of 168 per cent, which is unsustainable. Madam Deputy Speaker, even without the arrears, it puts us at 157, as the third most indebted country in the over 200 countries in the world.

I am saying to this Government - and it is good thing that women do not have any problems sometimes with begging --on behalf of the people of this nation, for God sake do what is right and talk to Bajans and stop pushing it on the backburner. You have Ministers on the Frontbench that have already spoken to this issue. I do not think that they want to come out and be against their party because if they did they could as well leave it and they should leave it, but they do not want to leave it, far from leaving it they defended Bills in here today so it is a genuine concern that goes beyond the partisan politics that says that it goes beyond the next election and the election thereafter, that goes to the people in schools, the children who should be in university and the young Bajans who have come out of university and cannot find work and who are thinking of leaving this country yet again to find jobs overseas.

Ma'am, I ask in the name of the people of Barbados and I ask with all of the sincerity that I can muster and I ask on behalf of a party that has invested in the success of this nation after 78 years of representing the people... We can fight battles as to whom should run this country or not but what we must never fight and what we must never allow to happen is for the stability of Barbados to be sacrificed.

I am obliged to you, Ma'am.

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

Hon. D. St.E. KELLMAN: Madam Deputy Speaker, I rise to speak on this Bill and to make the point that I do support it because when one considers that we are discussing the sharing of resources, because when one looks at the balance sheets of banks one would recognise that the balance sheets of banks are not like what they used to be in the early days... In the early days when you look at the balance of a bank the main revenue earner used to be interest, but when one looks now one recognises that it is not interest anymore but the varying services.

I have always said that what we need to do in a country like Barbados is to reward production and punish consumption. It is quite clear that the banking system as it stands is not operating like how it used to when we first knew it. One would expect that when you have a situation like what we have in the country that the banks would be encouraged to get involved in investments and would encourage people to be involved in investments so that we could help with the productivity of the country. Madam Deputy Speaker, instead of the banks lending money like how we knew them to, what you are seeing now is a situation where they are not lending money like how they used to but yet still their profit and loss accounts are much higher than previous, so it is clear that the only way that their profit and loss accounts could be higher under circumstances like this is that they are not earning revenue

from the normal stream of business, and it is only fair that if the banks are taking the money that you would normally expect Barbadians and other people to invest in the economy that any creative Government would have to find a way to share in part of that revenue that they are taking away from the economy that people would normally use to invest in the economy.

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I want to say that this is a wonderful time where banks should be encouraging people to invest because as you listen to them, they tell you that they do not have a liquidity problem in the negative that they have a surplus of revenue, and this is where they should be putting their hands to the plough and asking Barbadians to come and let them lend us money to help us to deal with the economy of Barbados but you are not seeing that. What you are seeing is a situation where instead of them lending money for productive purposes, they are now attaching a new service charge to the clients of Barbados every month or two and taking away the cash flow from them and it is only fair that if the Government has a tax that they are justified because what the banks are now doing is competing with the Government for revenue because that is money the Government would normally be able to share in previously. You cannot name anything that you could go to the bank now and do that they would not charge you for, so it is only fair that if the banks are not doing what they are accustomed doing that the Government as the regulator must find a way to get the revenue of which they are depriving the Government.

I have been around for a long time unlike some people who would speak and would ignore facts. I remember the first crisis in this country which was in the 70s when we had the oil crisis but by 1976 the Democratic Labour Party was able to take the country away from the crisis. The Barbados Labour Party came and by 1981 after having a bumper sugar crop they were able to take us to the International Monetary Fund and by 1985 they went on the Japanese market and borrowed two loans that they claimed they did not want and instead of those loans being profitable to Barbados they dragged down the reserves of Barbados because they borrowed those loans using the Japanese Yen and those loans increased because at the time when they borrowed the loans the loans were .008... but when they came to service those loans the loan doubled in value and rose from .008 to .016 which meant that the servicing of the loan not only doubled but the capital that the country had to pay also doubled. I remember all of that. I still have the records because I kept a close tab on them.

What that meant was that by 1989 when we came back to Government in 1986 all of the bounty that we were able to create from the tourism bumper season because we had a bountiful tourism season had to be used and the

foreign reserves had to be used to give to the Japanese to service loans that the Barbados Labour Party claimed they did not want, so when people ask how we got here, I know how we got here. By 1991 their bad Japanese loan would have caused us to wipe out all of the reserves we had even though we managed the economy well because we had to use the few dollars we had to pay for that Japanese loan.

There is a suite to this. A lot of people would remember that Dr. Haynes left the Democratic Labour Party and went to the Barbados Labour Party because there was a war between the Right Excellent Errol Walton Barrow and himself because when he went to get the third loan Mr. Barrow told him and the Governor of the Central Bank of Barbados not to go for that third loan because he understood the impact that it would have had on the economy. Nobody agreed with Mr. Barrow at the time and by 1991 they then understood what Mr. Barrow was saying. When you come in here and you want to lord off on us and give the public the impression that the economic crisis and the state of the economy that we are in has something to do with the Democratic Labour Party, the foundation was laid by the Barbados Labour Party.

We then had a situation in the 90s where the Right Honourable Member for St. Peter was able to change the taxation system and was able to get surplus revenues, but what the record will not show was that he was held ransomed by his Cabinet and all of the surplus revenues were used by two or three Ministers. All of the reserves that he would have created by the taxation system when he shifted from direct to indirect taxation was used up by two or three Ministers and caused deficits to be created as we have never seen them before.

In early the 2000s when the whole economy of the world was doing well and everybody was reporting progress, the only country that was reporting downgrades was Barbados, and that is why sometimes I smile when I hear economists talk because I do not hear any of them speak to these issues because one gets the impression when you hear the economists talking now that the first time the country saw downgrades was in bad economic times. I want you to know that the Barbados Labour Party gave us downgrades in good economic times and that was not all.

We heard the Honourable Member spoke about the burning of the prison. The Honourable Member spoke about the public gave them confidence, but what the Honourable Member did not tell you was the impact of the economic situation the burning of the prison had on the economy of Barbados because we had to go and borrow substantial sums to build an asset that was not productive or could not service the economy or service itself. Furthermore than servicing the economy or itself it was extracting from the economy and is still extracting from the economy today.

By 2007, they introduced something called the accrual system which meant that they did not had to work with it. By 2008 when the Democratic Labour Party came to Government the accrual system was in place and we had to account for all of the debt and all the borrowings when under normal circumstances we would not have had to show that, we would just be operating cash in, cash out but instead of having cash in, cash out we had cash in, cash out and debt owed and debt that was hidden had to come to book, so when you see and hear that the economic situation is so bad, it has nothing to do with the Democratic Labour Party, it was the hand that was left to us by those three famous Ministers who took all of the money, the surpluses from the VAT and so on, and spent it wildly and created massive debts that were not productive to the country.

Let me tell you something. As much as the economists talk about this, that we have a plan and the plan must work because that is the only way you can solve the economic situation. They could talk all they like about cuts but we have to ensure that our products that we put in place continue to grow. We have to ensure that tourism continues to grow, we have to ensure that agriculture continues to grow, we have to ensure that manufacturing grows and we have to ensure that the service industry grows too because if it does not it means that we will not be able to solve the problem. Growth is measured in units and people have to understand that. They can talk all they like about cutting but we are not going to be about cutting because we understand that we have to work ourselves out of the situation, we cannot contract ourselves and that is exactly what we are doing.

All of those people who want to go around and give the impression that it is a one-man show or a two-man show or anything like that, is foolishness. We are all in it together and we have to understand that we have to come up with the right taxation systems, we have to ensure that the productive sectors are working and we have to ensure that the workers and the capital people of this country are happy and that we put the necessary systems in place.

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Madam Deputy Speaker, we had to understand that we had to come up with the right taxation system, we had to ensure that the productive sectors are working and we had to ensure that the workers and people who have the capital in this country are happy and that we put the necessary systems in place. Madam Deputy Speaker, the Barbados Labour Party cannot come here and give the impression that their hands are clean on this particular matter when it comes to the economic situation in Barbados. I am telling the Honourable Member for St. Thomas that it does not make sense taking up the book and showing it, you have to take up the book and understand it, that is why I can stand here and speak to the facts without

having to refer to a book because it is all in here and I understand exactly the workings of it.

Madam Deputy Speaker, I want to make the point that whether or not it is about debt, the only way that you can pay that debt is by working to get rid of that debt, or by debt forgiveness which the Honourable Member likes to talk about. We are not here about debt forgiveness, we are here to ensure that the productive sectors work in such a way that we can... Madam Deputy Speaker, that is why they are so angry when we rolled out the tourism sector, they believe that once they badmouth Barbados that the tourism sector would not work well and that it would have created a climate for them to be able to get Government easily. That is not the way to get a Government, the best way to get a Government is by demonstrating that you have the capacity, the will and the knowhow to work the economy, instead of simply walking around telling people that things are bad. Instead, one has to demonstrate one's capacity to be able to get out of it.

Madam Deputy Speaker, I want to say that I fully support this Banks Tax on Assets amendment and would want to say that we have a justifiable reason. Ma'am, if in the beginning we did not have an argument for it, the argument and the evidence is now here. All one has to do is to go back to the 1990s and look at the balance sheets of banks and now, then you would understand exactly what I am saying. Ma'am, the banking system must be a facilitator of productivity, it cannot be a frustrator of productivity. When one looks at the two balance sheets you would recognise that in the 1990s the balance sheet would demonstrate that they were facilitating. Now in 2016, you would see that it is frustrating. Madam Deputy Speaker, as I said, I fully support this Bill and I thank you very much for listening to me.

MADAM DEPUTY SPEAKER VACATED THE CHAIR. MR. SPEAKER ASSUMED THE CHAIR.

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

HON. C. P. SINKLER: Mr. Speaker, I want to thank the Honourable Member for St. Lucy for his presentation, much of which I agree with, in fact, all of which I agree with. I think the Honourable Member has put into context a lot of the things which ought to have been put into context. Sir, since the Honourable Member has replied so eloquently to much of what the Leader of the Opposition has had to say, it would be redundant of me to go over all of that again. Mr. Speaker, I just want to say that it is always important in this business I have learned over the last how much ever long that I have had the responsibility for the Ministry of Finance and Economic Affairs not to panic or to engage persons who prefer to trade in the politics of panic. That may suit certain particular exercises,

it may sound good to party supporters, it may reassure some business people who themselves may be traders in the same thing but I try not to do this.

Mr. Speaker, this not only comes from my recent experience as Minister of Finance and Economic Affairs, of course, I sat on the margins paying very close attention back in 1991 to 1994 when the Democratic Labour Party was in office and I was Personal Assistant to the then Minister of Finance and Economic Affairs and Right Honourable Prime Minister of the country, now Sir Lloyd Erskine Sandiford, who the Honourable Member for St. James South has correctly said was abused and harassed in Barbados during that period as not knowing what the Honourable Member was doing, not being an economist or a real economist, destroying Barbados, et cetera. Sir, all of the things that I now hear about myself I heard about him then.

Mr. Speaker, I woke up in a country somewhere after 1991, because of the devastation of the then global oil crisis, the Gulf War I think triggered it, that left Barbados with as little as \$13 million in reserves in the Central Bank of Barbados. It might have been less than that, maybe a little more, but it certainly was not significant at all. For whatever that was worth or not worth it did not lead to a devaluation of the Barbados dollar. Eventually when we went to the International Monetary Fund for a standby arrangement for about \$50 million or \$60 million - it was not a whole lot of money in those days - it did not prevent us from fighting a cause and saying that we were not going to devalue the Barbados dollar because we did not believe that that economic theology was in the best interest of the country, and we had shown up to then where it was imposed in other countries where it had been a dismal failure, and since we implemented our standby arrangement programme and recovered the Barbados economy that it was not necessary then and that it was ill-placed economics in an economy such as ours that depends so largely on imports, even for production. Mr. Speaker, I learned then not to lose my nerves on anything or to cause the politics of panic to invade the country.

Mr. Speaker, I am not responding to these matters at this time, I can assure the Leader of the Opposition, as I will assure this Honourable House, as I will assure the people of Barbados that I will speak on the economy very shortly, but that nobody is going to force-ring or bully me or anybody else into making statements before we are ready and have all of the facts at our disposal and are ready to respond cogently and completely to the issues that affect Barbados. Mr. Speaker, even as that is the case, we still have to understand the realities of what we are dealing with and to confront those as they are.

Mr. Speaker, what is the purpose for panic in an economy that is growing? What is the purpose for panic in

an economy where unemployment is falling? What is the purpose for panic in an economy in which we have adequate reserves to defend our currency, though they may not be at the highest possible level? I will explain all of this, what our strategy has been. We have lost the investment grade, we do not like that, but to be throwing that all around to depress Barbadians, if that suits some people's purpose, well, then, that is for them. We have said that we will wing our way on what we earn in foreign exchange and that we are not going to be running to capital markets and borrowing at exorbitant interest rates as has been the case in previous Administrations.

Mr. Speaker, maybe it may not be the right strategy. I do not think it is the wrong strategy because when I look at the figures, I marvel, that is why I say I am going to address all of these issues because people have given the impression that the period between 2000 and 2007 was some miraculous period in Barbados in which we earned a whole lot of foreign exchange and did so well.

5.47 p.m.

Nobody makes the fundamental point that between 2000 and 2007 the Barbados Government borrowed \$2 billion (US\$1 billion) in reserves when Barbados and the world were supposedly going through an economic boom. We must say with some degree of honesty in Barbados that the model which we have used in relation to reserves management has been clear since the mid-1990s when the last Administration took office. The model was: Borrow to prop up. We borrowed. We have all done it, and if we have to do it again, we would do it again, but we have said that in the instance where we do not have investment grade, we are not going to play the market to try to get high interest rates. We will do project inflows, and the resources from those inflows for projects to build capacity to expand our economic capacity and to deepen our social development will go into the reserves to help us do what we have to do in the country. That has been the strategy of the Government. If things get too tight and we need to go to market, then we go to market. That is how we have always done it. We know how it goes with project inflows. Project inflows is not like floating a bond. You float a bond, people subscribe to it, and the next two weeks you draw down the money once it is fully subscribed, and you get a wash of money in your reserves and in your domestic account. If you are relying on project inflows, this speaks to everything aligning, all reports being submitted, projects being done, everything in full alignment, and all your ducks lined up, so you get the drawdown as soon as you are ready for it.

Sometimes that does not always happen, and you may have outflows above your inflows, but eventually in short order it always balances itself back out. I notice the Leader of the Opposition very cleverly said in her

presentation, "If you have inflows coming in, you should let us know so that we do not panic." I noticed she said that, because the Leader of the Opposition, I know, knows very well that there are significant inflows which are due to come into Barbados, and we will talk about all of that in due course. The Leader of the Opposition gave herself an open gate and cracked the gate so that she can ease through at the appropriate hour.

Aside.

Hon. C.P. SINCKLER: Mr. Speaker, the point is that the Central Bank publishes every year at the beginning of the year a list of release dates for its press releases. They have issued it since the first week of January or probably before. We know that the update is coming next Tuesday. Why are we holding all these press conferences, issuing all these ten questions or 20 questions or 'The Price Is Right' or 'Family Feud' or whatever it is that is happening at these press conferences? Why are they doing all of this? The Governor of the Central Bank is going to issue his Report, we will know what the reserves are and we will know why they are what they are. I get a printout every day. The fact of the matter is that anybody who sits in the Ministry of Finance knows that you get a report on reserves every day but you do not rush around saying, "It is \$900 million today and tomorrow it is \$901 million and the next day it is \$602 million." You do not do that, because what you do is you set your course quarter-by-quarter, you know what is coming down the chute going into this month as opposed to last month and next month and the two months from now and six months from now. That is not how you read reserves. If you read reserves like that, you would get a heart attack because you would wake up, like last Friday, and see that the reserves went down by \$30 million because you had to pay for the prison. It is not a prison built by a Government of the Democratic Labour Party; it was built by the Leader of the Opposition who proudly said that she built a prison and spoke to the people of Barbados about why we needed to get a prison. Of course, the Leader of the Opposition would not admit that under her leadership when they built the prison, she allowed Defence Force officers to go into the prison and deal with prisoners against the law of Barbados, and then had to come back here and correct it in the House of Assembly. They are not going to say that. I am not going down there because that is not for me; I do not know a thing about it. What I would say, however, is that we will get a full Report on the economy.

I believe the Prime Minister speaks at the Chamber of Commerce event on the day after or some time like that, and I will have a full press conference in which I will speak to the people of Barbados and to the Parliament of Barbados when the facts are out. All of them come in here and parade about fiscal deficit. If the fiscal deficit is not going down fast enough, we will say it is not going down fast enough. We have never hidden anything from the

public of Barbados where the economy of Barbados is concerned. Mr. Speaker, what I will say, though, is this: There is not going to be any devaluation of the Barbados dollar under this Administration. If the next one wants to do it, they will do it when they become the Government, if they become the Government. I can tell you right now: I would resign as Minister of Finance. There is not going to be no devaluation of no Barbados dollar.

Asides.

Hon. C.P. SINCKLER: Secondly, I am going to make this other point too because I hear all the comments being dropped.

Asides.

Hon. C.P. SINCKLER: The Leader of the Opposition wants to deliver another speech from her seat. The point is this, Mr. Speaker. The second point I am going to make, because I hear all the little comments being dropped around, is that neither I nor anybody in the Ministry of Finance, in the Government of Barbados or in the Central Bank, as far as I know, certainly not under my instruction, have given anybody any instruction to engage negotiations with the International Monetary Fund either formally or informally for any IMF programme. Let me make that abundantly clear. We have said, and have been very open with it, that during our period of fiscal.... I cannot understand. They want me to talk, and when I start to talk, they all want to interrupt. They do not want to hear what I have to say. You cannot win.

Asides.

Hon. C.P. SINCKLER: Mr. Speaker, you cannot win with this crowd. Mr. Speaker, the point is....

Asides.

Hon. C.P. SINCKLER: Mr. Speaker, the point of the matter is that we have been very open. The International Monetary Fund has come here on several occasions because we have asked them for technical assistance on a number of matters. The Fiscal Affairs Department decides that they are going to engage them on fiscal policy, and we ask them to come. Sometimes they come quarterly. They come for the Article IV, of course, which they have to come for, but outside of that we have invited them to come. We have drawn on their fiscal expertise; the tax experts working with the Barbados Revenue Authority and the Gross Domestic Product (GDP) experts working with the Statistical Department. In fact, the Statistical Department is going to be issuing very shortly a statement on the GDP, nominal and real, in Barbados, in terms of the measurement of it over the last decade or so. As we prepare a new GDP series, we are going to get all of that coming forward very

shortly; and it will surprise a lot of people, too, about the size of this Barbados economy. I know the Leader of the Opposition is always talking about the size of the economy and how much it has shrunk.

5.52 p.m.

INSERT S38 JULIETTE

Tuesday, January 17, 2017

Hon. C. P. SINCKLER: ... so arrogantly in your own competence that you can destroy what we have because you believe only you can build it back, and that is not so. If we continue to act and behave in a way to create unnecessary economic stability and social instability in Barbados believing that we can force an election on the Government and pull down our private economy, destroy our public service, and undermine the basic fundamental tenets of democracy and governance in Barbados believing that we can do a better job and build it back, then we have a lot of thinking to do in Barbados.

Asides.

Hon. C. P. SINCKLER: I want to put that caution to the Leader of the Opposition. I do not know, only God knows, you may one day become the leader of something, of the Government or the country, I do not know. I cannot see into the future, I do not have that type of power but what I will say is that you have the right to contend for the position of Prime Minister if your party members believe that you should be Prime Minister. You have the right to aspire to the office of Prime Minister but you and you alone do not have the right to destroy Barbados in pursuit of your ambitions, and that is all I will say to you in relation to...

Certain remarks made by the Honourable Member for St. Michael North West were ordered expunged from the record by Mr. Speaker.

Asides.

Hon. C. P. SINCKLER: I do not know why the Leader of the Opposition believes that I want to curse her, I have no such desire.

Asides.

Hon. C. P. SINCKLER: I am going to wrap up now because I do not have unlimited time, but we will have all of the conversations we need to have on the Barbados economy.

Mr. Speaker, I just want to close on this matter because I heard the Honourable Leader of the Opposition

say it and repeated it on a political platform and has said it in here as well just a while ago - I am not saying it because of Barbados and I do not have to defend the Government of Guyana - that the Guyanese Government has some weakened confidence in the Barbados dollar and that is why the Government of Guyana has stopped trading in Barbados dollars. The Honourable Leader of the Opposition knows that is not true. She knows, by way of explanation from the Government publicly, that there were some artificial shortages being created in foreign exchange in the market and that as a precautionary measure from people coming to Guyana with regional currencies and purchasing foreign exchange...

Asides.

Hon. C. P. SINCKLER: It was not Barbados at all. As any monetary authority would do in circumstances like that they took precautionary measures to ensure they protect their situation down there.

We know, for example, that in Trinidad and Tobago as has been reported by their Central Bank, by their Minister of Finance and by other people operating in that market - and again I do not reflect on regional countries and their performances because everybody have their challenges to deal with - there have been shortages of foreign exchange in the market. In fact, they have put limits on individual purchases that you could walk into a bank and get over the counter. We know that has happened in Trinidad and Tobago because those are the statements that have come out officially from the Government of Trinidad and Tobago. We know that in Suriname they went very low down in terms of reserves and had to go into an International Monetary Fund programme. I recently saw that they did not meet the target for the last quarter of last year so they are having their challenges as well.

The Leader of the Opposition said that Guyana was having its challenges only now buoyed significantly by the reserves that they found in oil. Jamaica continues to buy its way out and to do the best it can in the circumstances. This is a common regional experience that we are all going through and we are finding ways and means to manage the situation that we can continue to provide services to our people at a reasonably good level albeit with some interruptions and we have tried to ensure that we could continue to pay our bills.

Mr. Speaker, let me make this point to the Leader of the Opposition. The international accounting standard does not, as far as I have read and seen and have been told... There is a process between when you consider a recurrent arrear to be... You made the comment that the World Bank and the International Monetary Fund is estimating that arrears may be as much as 11 per cent of GDP. Now, when you are running an accrual system of accounting from the

time you accept the invoice, whether you pay or not pay it, it accrues to your fiscal accounts.

Asides.

Hon. C. P. SINCKLER: It has to be brought to book.

Asides.

Hon. C. P. SINCKLER: That is not so. We brought to book the National Housing Corporation today in this House of Assembly.

Mr. SPEAKER: Honourable Member, please address the Chair, do not...

Hon. C. P. SINCKLER: Mr. Speaker, we brought a \$34 million Supplementary here to the House of Assembly to bring to account and to book all of this. In fact, last month I brought LIAT to book and we are bringing the \$50 million for the... to book, so all of those things are brought to book. In any case, if I take a good and service from you and you charge \$40 for it, it is a recurrent arrear. I took something from you, a transitory good, I owe you arrears... The Transport Board owes arrears for fuel for six months, and there is a standard period for which you do not convert that into debt. How does that get to be a debt and go into your debt to GDP ratio? It does not work so. Accounting does not work that way. Public finance accounting does not work that way. That is an arrear. That is not a debt that goes into your debt to GDP unless you convert it into a debt, so you cannot say that. If you go into years, you then have to go back through all of those and see what are the age arranged that you have and what is the cut off point by year, so you cannot just stand up and say oh I feel that the debt is 11 per cent of GDP because arrears are owed. As you pay the arrears down then you pay them from the back period when they were first owed, so you have to find out what is the current state of the arrears first, so that is a moving target.

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Mr. Speaker, I do not understand how you could just do a simple mathematical calculation and say that \$500 million in arrears is owed, so that that means it is \$500 million in debt that is owed. Sir, you cannot just convert that to debt like that, public finance accounting does not work that way. Mr. Speaker, therefore, by simply dropping these things all over the place to people who may not know or who may not be in this business, it scares them, but that is not what is the case. Mr. Speaker, as I said, we will have the report from the Governor, we will do our business and we will speak to the people of Barbados in full and completely with all of the relevant facts that we have at our disposal. Sir, as I said, if it is good we will say it, if it is bad we will say it, if it is indifferent we will say it too, and

will have a response for each based in terms of what has happened and what we propose to do going forward.

Mr. Speaker, as Minister of Finance and Economic Affairs that is as much as I can say on that, other than to thank you for your patience and to ask that this Bill be now read a second time.

Hon. A. D. BRATHWAITE: I beg to second that, Sir.

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

On the motion of Hon. C. P. SINKLER, seconded by Hon. J.D.E. BOYCE, the House resolved itself into Committee on the Bill. Mr. J. D. PAUL, Chairman of Committees in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is now in Committee.

Clauses 1 to 5, inclusive, were called and passed.

Clauses 6 to 10, inclusive, were called and passed.

Clauses 11 to 13, inclusive, were called and passed.

On the separate motion of Hon. C. P. SINKLER, seconded by Hon. J.D.E. BOYCE, Mr. CHAIRMAN reported to His Honour the SPEAKER, the passing of one Bill in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motion of Hon. C. P. SINKLER, seconded by Hon. J.D.E. BOYCE, the Bill was read a third time and passed and cited as the Banks (Tax on Assets) Bill, 2017.

ORDER 24

TAX ON ASSETS BILL, 2017.

Mr. SPEAKER: The Honourable Minister of Finance and Economic Affairs.

Hon. C. P. SINKLER: Mr. Speaker, as I would have indicated, this is again the additional budgetary measure in relation to this particular matter. We are now proposing that the Tax on Assets which is for Part II institutions under the Financial Institutions Act of Barbadian that involves institutions such as insurance companies, Mutual Funds and other deposit-taking institutions, other than credit unions which we took a decision we will not continue as under the Cooperatives Act. We are asking that in fairness

that those institutions contribute to our efforts similar to that of banks, at the similar rate.

Mr. Speaker, you would notice that as with the other Bill just passed that Section 5 of this Bill sets out the formula for the computation of the assets and the rate at which those would be done for deposit-taking licensees.

“5(1): The formula for computing the average domestic assets of a deposit-taking licensee is, one divided by the number of months for which the tax is being paid, multiplied by the sum of the domestic assets for the said months, which is set out as follows: $\frac{1}{\text{number of months}} \times \Sigma (\text{domestic assets for the number of identified months})$. 5(2): The rate of tax payable on the average domestic assets of a deposit-taking licensee in relation to those assets is 0.35 per cent per annum and shall be paid to the Commissioner in the manner specified in section 7(1).”

Section 6 sets out the formula for the computation of assets and rate of tax in relation to an insurance company.

“6(1): The formula for computing the taxable assets of an insurance company is the total assets net of segregated assets. (2) The formula for computing the segregated assets referred to in subsection; (1) Is the regulatory capital plus the reinsurance recoverable. (3) The rate of tax payable on the average domestic assets of an insurance company in relation to those assets is 0.35 per cent per annum and shall be paid to the Commissioner in the manner specified in section 7(2).”

Section 7 outlines the timelines for payment for the tax.

“7(1): The tax levied by virtue of this Act, in respect of a deposit-taking licensee, shall be paid in every year to the Commissioner for the period:

(a) 1st June to 31st August, on or before 15th November;

(b) for the period 1st September to 30th November, on or before 15th February;

(c) for the period 1st December to 28th February, on or before 15th May;

(d) for the period 1st March to 31st May, on or before 15th August.

(2) The tax levied by virtue of this Act, in respect of an insurance company, shall be paid in every year to the Commissioner:

(a) for the period 1st January to 31st March, on or before 15th June;

(b) for the period 1st April to 30th June, on or before 15th September;

(c) for the period 1st July to 30th September, on or before 15th December;

(d) for the period 1st October to 31st December, on or before 15th March in the following year.

(3) Nothing in this Act shall preclude:

(a) a deposit-taking licensee; or

(b) an insurance company,

from pro-rating and paying the tax on a more frequent basis.”

Section 8 provides the penalties for the non-payment of the tax.

“8(1): A deposit-taking licensee or an insurance company that fails to pay the tax by the dates specified in section 7, shall pay to the Commissioner;

(a) the tax payable; and

(b) a penalty, equal to 10 per cent of the amount of tax that was due and unpaid at that date, or \$20,000 whichever is greater.”

Mr. Speaker, Sections 9 to 11 outline the administrative requirements related to accounts of record, audit and ancillary powers, procedure on default and unpaid tax certificates. Section 13 makes provision for the payment or refund by the Revenue Commissioner if there is an overcharge of taxes on those assets.

“13(1): Subject to subsection (2), where:

(a) an amount paid by a deposit-taking licensee or an insurance company as tax or interest is in excess of the amount that ought to have been paid; and

(b) the deposit-taking licensee or insurance company applies to the Commissioner in writing for a refund of the excess, the Commissioner shall apply the amount of the excess for meeting any outstanding liability of that deposit taking licensee or insurance company under this Act and then pay over to the deposit taking licensee or insurance company the balance, if any.

(2) An application for a refund shall not be considered unless the application is made before the expiration of a period of one year from the date on which the payment was made.

(3) A refund under this section shall be made by the Commissioner and shall be a charge on the Consolidated Fund.”

Mr. Speaker, with those few words, I commend this Bill to this Honourable House. I now beg to move that this Bill be read a second time.

Hon. D.O’N. INNISS: I beg to second that, Sir.

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

On the motion of Hon. C. P. SINKLER, seconded by Hon. D.O’N. INNISS, the House resolved itself into Committee on the Bill. Mr. J. D. PAUL, Chairman of Committees in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is now in Committee.

Clauses 1 to 5, inclusive, were called and passed.

Clauses 6 to 10, inclusive, were called and passed.

Clauses 11 to 14, inclusive, were called and passed.

On the separate motion of Hon. C. P. SINKLER, seconded by Hon. D.O’N. INNISS, Mr. CHAIRMAN reported to His Honour the SPEAKER, the passing of one Bill in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motion of Hon. C. P. SINKLER, seconded by Hon. D.O’N. INNISS, the Bill was read a third time and passed and cited as the Tax on Assets Bill, 2017.

6.29 p.m.

ADJOURNMENT

Hon. J.D.E. BOYCE: Mr. Speaker, with that we have to the end of Government Business for the day, and I beg to move that this Sitting be adjourned until Tuesday, January 24, 2017, at ten o’clock in the morning.

Hon. A.D. BRATHWAITE: I beg to second that, Sir.

The question that the Sitting do now adjourn until Tuesday, January 24, 2017, at 10 a.m. was put and resolved in the affirmative without division, and Mr. SPEAKER adjourned the Sitting accordingly.

6.24 p.m.

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KELLMAN, Hon. D.ST.E. (St. Lucy)
LASHLEY, Hon. S. A. (Christ Church West Central)

MOTTLEY, Hon. Miss M. A. (St. Michael North East)
PAUL, Mr. J. D. (St. Michael West Central)
SINCKLER, Hon. C. P. (St. Michael North West)
SINKLER, Hon. C. P.

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EDITORIAL NOTES — NOT PART OF THE REPORT

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

EDITORIAL QUERIES

Points noted while preparing this report from the edited transcript. The text has not been altered except where stated.

Q1. Masthead. The session is not stated in the source, so no session line is printed.

Q2. Reporters' inserts throughout the Sitting. The source carries seven unfilled notes, 'INSERT S4', 'S14', 'S17', 'S22', 'S26', 'S30' and 'S38 JULIETTE', each between take-slips, and the text resumes mid-sentence after each. The missing takes include part of the Minister's opening on the Holidays With Pay Bill, the end of the morning and the luncheon suspension, the second reading and start of Committee on that Bill, the end of the Minimum Wage Bill debate and its passage, and the opening of the item on rescinding a Resolution. Printed as in the source.

Q3. Order No. 19, Minimum Wage Bill. Because of the gap at Sequence 30 the record does not show the Committee stage, third reading or passing of the Minimum Wage Bill, 2017; the next text is the end of the Minister of Finance's speech on rescinding a Resolution. Printed as in the source.

Q4. Order No. 19, Minister's speech. The Minister says an Order 'proscribing \$150 per hour for a 44-hour week was made in May of 1982'; 'per hour' and 'proscribing' (for prescribing) appear as in the source.

Q5. Orders Nos. 23 and 24. The procedural notes record that the Bills were 'cited as the Banks (Tax on Assets) Bill, 2017' and 'the Tax on Assets Bill, 2017', where 'Act' would be expected. Printed as in the source.

Q6. Order No. 23, Minister's speech. The Minister says the tax collected '\$20.4 million roughly' for 'the fiscal years 2015 and 2016' and '\$20 million roughly' for '2015-2016', a total of '\$40.4 million'. The periods appear to overlap. Printed as in the source.

Q7. Speech labels. The Minister of Finance is labelled both 'Hon. C. P. SINKLER' and 'Hon. C. P. SINCKLER', and the procedural notes for Orders Nos. 23 and 24 use 'SINKLER'. Printed as in the source.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The House of Assembly met on Tuesday, 17th January, 2017 at 10.00 a.m., the first Sitting of the year, with the Speaker presiding; prayers were taken by Reverend Mark Harewood. The Minutes of December meetings were confirmed. Papers laid included the Fair Trading Commission and Enterprise Growth Fund Limited Annual Reports, 2016, by Hon. C. P. Sinckler; the Barbados Fire Service and Barbados Prison Service Annual Reports, 2015, by the Attorney-General, Hon. A. D. Brathwaite; and the Barbados Agricultural Management Company Limited Twenty-second Annual Report by Hon. J. D. E. Boyce. The Notaries Public Bill, the Banks (Tax on Assets) Bill, the Tax on Assets Bill and the International Bank for Reconstruction and Development Membership of Barbados Bill, 2017 were read a first time.

Hon. D. O'N. Inniss, Member for St. James South, obtained leave to debate Order No. 17, the Holidays With Pay Bill, 2017, with Order No. 18, the Labour Department (Amendment) Bill, 2017. He presented the Bill as part of the tripartite social partnership, called for a 24/7 society in which Government departments did not close at 4 o'clock, and explained provisions on taking the annual holiday in a single period and on notice of termination during vacation. The Leader of the Opposition, Hon. Miss M. A. Mottley, said the Barbados Labour Party supported a law first passed by Sir Grantley Adams, but when she turned to the Governor of the Central Bank's letter of 3rd January on foreign exchange, the Speaker, citing Standing Order 40, ruled that she was persisting in irrelevance and directed her to resume her seat. Mr. Boyce and Hon. S. A. Lashley supported the Bill, Mr. Lashley noting that the Act dated from 1951 and was last amended in 1980. Both Bills were passed with amendments in Committee, Mr. J. D. Paul in the Chair.

Mr. Inniss then moved the Minimum Wage Bill, 2017, to establish a Minimum Wage Board and repeal the Wages Councils Act, Cap. 362, tracing earlier wage legislation from 1937. Miss S. J. O. Bradshaw, Member for St. Michael South East, gave the Opposition's support while regretting that the economy was not addressed; Hon. D. St.E. Kellman and Mr. J. D. Paul supported it, Mr. Paul referring to non-unionised workers. Mr. Inniss replied; the outcome is not recorded.

Mr. Sinckler moved the rescission of a Resolution which had omitted the Act under which a loan was to be made, and then Order No. 22, approving the borrowing of US\$15 million from First Citizens Bank Limited in Trinidad and Tobago by way of a revolving credit line; both were agreed to.

On Order No. 23, the Banks (Tax on Assets) Bill, 2017, Mr. Sinckler said the tax first put in place in 2014 was being extended and had yielded about \$40.4 million. Miss Mottley recalled that it was first introduced in August 2013 and spoke of credit rating downgrades by Standard and Poor's and Cari-CRIS. Mr. Kellman supported the Bill, and Mr. Sinckler replied that reserves had fallen to \$13

million after 1991, that a \$34 million supplementary had brought arrears to account, and that \$500 million in arrears could not simply be treated as debt; certain of his remarks were expunged by order of the Speaker. The Bill passed, as did Order No. 24, the Tax on Assets Bill, 2017, for Part II institutions and insurance companies. The House adjourned until Tuesday, 24th January, 2017 at 10.00 a.m.