
THE SENATE DEBATES

(OFFICIAL REPORT)

SECOND SESSION 1976 – 81

THE SENATE

Wednesday, 25th February, 1981

The Senate met in the Senate Chamber, Public Buildings, on Wednesday the 25th February, 1981 at 2.50 p.m.

PRESENT

His Honour Senator the Honourable Sir ARNOTT CATO, M.B., Ch.B., LL.D., (President); His Honour Senator the Rev. G. ANDREW HATCH, M.A., (Deputy President); Senator the Hon. N. A. BARROW, B.A., LL.B., (Minister of Information) (Leader of the Senate); Senator O'BRIEN TROTMAN, (Parliamentary Secretary, Prime Minister's Office); Senator Sir MENCEA COX; Senator H. F. G. ROCHEFORD, B.A.; Senator R. L. FIELD; Senator AARON TRUSS; Senator K. E. HINDS; Senator Miss O. A. LYNCH, B.A., Dip. Ed.; Senator C. I. E. DEANE; Senator K. R. HEWITT, B.Com., C.A.; Senator Mrs. E. M. LYNCH, B.A.; Senator J. D. S MACKENZIE; Senator Miss M. I. StC. BLACKMAN; Senator J. C. W. WICKHAM; Senator N. W. BOXILL; Senator W. O. FRANKLIN, J.P., A.I.A.S., and Senator R. E. BRATHWAITE.

Prayers were read by Rev. LIONEL CRAWFORD.

ABSENT

Senator the Hon. D. G. BLACKMAN and Senator H. R. LINTON.

ANNOUNCEMENTS

Mr. PRESIDENT: Before we proceed with any further business, I would like on behalf of fellow Senators to say how very pleased we are to see Senator Deane back again among us and to wish him continued recovery.

SENATOR C. I. E. DEANE: Mr. President, I thank you very much and all you ladies and gentlemen who so kindly enquired why I was slightly out of commission. Thank you, Sir.

INTRODUCTION OF BILLS

SENATOR THE HON. N. A. BARROW: Mr. President, I am afraid the Clerk passed the Item "Presentation of Papers" so fast that before we move on with the Introduction of Bills, I had better crave your indulgence and the indulgence of the Senate so that we may lay the documents.

PRESENTATION OF PAPERS

SENATOR THE HON. N. A. BARROW: Sir, I have the honour to lay the following documents before the Honourable Senate:

Statement showing Net Customs and Excise Receipts for eight months ended 30th November, 1980.

Statement showing Net Customs and Excise Receipts for nine months ended 31st December, 1980.

Report on the Audit of the Accounts of the Auditor General's Department for the year ended 31st March, 1980.

The Auditor's Report and the twenty-third Annual Report and Statement of Accounts of the Transport Board for the year ended 30th September, 1978.

The Auditor's Report and the twenty-fourth Annual Report and Statement of Accounts of the Transport Board for the year ended 30th September, 1979.

INTRODUCTION OF BILLS

SENATOR THE HON. N. A. BARROW: Mr. President, I beg to give notice of the following:—

A Bill to amend the Mortgage Insurance Act.

A Bill to validate certain matters in respect of the Vital Statistics Registration Act, 1980.

Mr. PRESIDENT: Let it be recorded in the Minutes that those Bills have been read a first time.

PUBLIC BUSINESS

SENATOR THE HON. N. A. BARROW: Mr. President, I must apologise for the fact that members were circulated with a notice requesting them to stand ready to deal with one of the matters which you will find on the Order Paper for the first reading this afternoon. I know of no reason why we should deviate from what has become established practice that only if there is some urgency attached to a particular matter do I in fact crave the indulgence of the Senate to deal with anything in all its stages in one afternoon. In this particular case, that notice went out in error. There is no urgency and there are other things on the Order Paper which would require us meeting next week, and therefore in my view it should fall to be taken in place.

Accordingly, Sir, the Items which we are offering this afternoon are the two Resolutions. The other matters are First Reading matters and therefore will come due next week.

There are two other Items there. One is the Bill that is in Select Committee and the other is the Corruption and Bribery Bill which awaits our dealing with the other one in view of the fact that in the Corruption and Bribery Bill there is a reference to the other one which was sent to a Select Committee.

Senator Trotman, Sir, is going to take charge of the Land Acquisitions and next week when we come to the Shipping Bill Senator Blackman is dealing with that.

RESOLUTION TO APPROVE THE COMPULSORY
ACQUISITION OF LAND AT SPEIGHTSTOWN,
ST. PETER, FOR THE CONSTRUCTION OF
THE SPEIGHTSTOWN BY-PASS ROAD

The First Order of the Day was called — To move the passing of a Resolution to approve the compulsory acquisition of land at Speightstown, St. Peter, for the construction of the Speightstown By-Pass Road.

SENATOR O'BRIEN TROTMAN: Mr. President, Sir, I am sure that most Senators are aware of the

development which is going on in Speightstown and near Speightstown as far as the Heywood's Development Project is concerned because that matter has been debated here before, Sir.

The matter before us this afternoon has to do with the acquisition of 34 parcels of land to facilitate the construction of the by-pass road at Heywood's. I have circulated, Sir, the two plans of the roads which are available to me. The persons from whom the land is being acquired are listed in the Schedule to the Resolution and unless any particular Senator wants to ask a specific question, I beg to move that the Resolution do now pass.

Mr. PRESIDENT: I think we should allow members to see the plans. It might save time in the future if before the item is called these plans can be sent around.

SENATOR N. BOXILL: Mr. President, I do not wish to sound obstructive or anything like this. I thought we were summoned specifically here to deal with the Loan in connection with the amount of money we are borrowing from Canada. Now to my surprise I am hearing that this thing is being dealt with. We were not told this thing was being dealt with today.

Mr. PRESIDENT: You were not told that what would be dealt with?

SENATOR N. BOXILL: The acquisition of these parcels of land here.

Mr. PRESIDENT: Were you not circulated with the Order Paper?

SENATOR N. BOXILL: I was but I got a letter purported to have come from you saying that the Senate will meet today on this same very matter as far as I know.

Mr. PRESIDENT: No, no. Let me explain. The letter that you said purported to have come from me referred to the fact that after adjourning *sine die*, the Senate was called to a meeting by me for today. The other item dealing with the Canadian Loan suggested that the Minister would ask permission of the Senate to deal with it in all of its stages at this particular meeting.

The reason for that was that we have a Standing Order which requires a certain amount of notice before we can proceed with the matter in all its stages. The Minister has intimated that there is no urgency about that matter so that it will be dealt with at a subsequent meeting of the Senate. That has nothing to do with the fact that there are other Items on the Order Paper.

SENATOR W. FRANKLIN: Mr. President, just to inquire. I want to know if the acquisitions for this go to the South of the point where the existing road was diverted for the Golden Mile Project. These plans do not show that section but it is my opinion that it goes further down. I would like to see that plan if it is available for a specific reason. Coming from Bridgetown and you turn off on the new road where the road has been diverted, I would like to see the acquisition form for that section.

Mr. President, in the absence of that plan I would like to inquire through you of the appropriate Senator dealing with the matter whether or not that parcel of land between the Morris Byer Polytechnic and the existing diversion has been acquired by Government as well.

Apparently it is here. Mr. President, if you will bear with me, there is a series of maps I am trying to piece together.

Mr. PRESIDENT: I think you should probably take a little more time and look at them. It is unfortunate that the plans were not circulated earlier. I am prepared to take a few minutes and let you make sure of the point you asked.

SENATOR W. O. FRANKLIN: Mr. President I am of the opinion that the Government had entered into and purchased the parcel of land just south of the loop road. There is a parcel of land which is to the south east of the existing road. I am not certain in my mind that it was absolutely necessary for any purpose for the construction of the Heywood's Project, this is why I was looking at the map. It is within my knowledge that considerable sums of money were spent filling in that portion with marl fill, because it was a swamp, and it has been drawn to my attention that the money could well run into a million dollars or so for the reclamation of this portion of land.

Unfortunately, the plans available to me do not allow me to speak with any amount of certainty, and I would invite the appropriate officer of the House if he could make that enquiry for the satisfaction of myself and fellow Senators I would be very grateful. The best way I can describe the land is the land north of the Maurice Byer Polyclinic. Senator Brathwaite, I believe, lives in that area, and I think it was owned formerly by a Mr. Whitehead.

SENATOR R. E. BRATHWAITE: As far as I know about this road, what Senator Franklin is asking about, it seems to me to be very far from this other one, because this road does not pass close by the polyclinic. The road, as far as I can see, passes through by Mr. "Doc" Husbands, which is way west from the Maurice Byer Polyclinic.

As far as I see, everything is going satisfactorily and it looks very nice for us to the north, I am surprised this afternoon, because I thought everybody would be so happy to see that after a long time somebody is finally thinking about the north, and I thought we would throw our weight behind this Resolution to see everything progress in the north of this country.

I thank you, Mr. President.

SENATOR N. W. BOXILL: Mr. President, I would like to know if the land belonged to Mr. Whitehead formerly and if it was not the land known as Farris Land. If it is, then Senator Franklin is right, because this was a swamp. I know this land years ago was all swamp land, and at one time I think we had some idea of doing something on it, and then because of its swampiness we could not do anything because you would have to sink piles a way down in this land before you could get anything on it.

If this is the land that Senator Franklin is talking about, then he is right. But I do not understand Senator Brathwaite. Because we all should be glad does not mean that we should see \$3 million going down the drain. At the same time we do not want to see something that we know that would be a failure, instead of spending the money on developing the north you are spending the money on developing a swamp. It is not going to be any help to anybody.

Mr. PRESIDENT: If we are asking a question and answering it at the same time, we might be talking of something that does not exist.

SENATOR THE HON. N. A. BARROW: Not to prolong the debate, Mr. President, I get the very firm impression that Senator Franklin is asking a question about a piece of land not on the plan, and that Senator Boxill is referring to a piece of land that is not on the plan. (SENATOR N. W. BOXILL: No, no, the Schedule). We are talking, Sir, about just under an acre of land which, if I understand the Senator correctly, is swamp land, and which, if I understand the other Senator correctly, some \$3 million is being spent or sunk into that swamp.

SENATOR N. W. BOXILL: On a point of elucidation, Mr. President. I never said that \$3 million is being spent, I said approximately \$3 million will be spent to reclaim this land, if this is the same land.

Mr. PRESIDENT: Let us be certain if this is the same land. Can we have an answer to the question that was asked?

SENATOR THE HON. N. A. BARROW: You see, Sir, I believe it would assist both Senators if they were

invited to table a Question in the ordinary way in order to ascertain whether in fact the land which they fear.... (SENATOR N. W. BOXILL: I do not need it, he brought it in here and he should know about it). I am only suggesting that if you just come in and speculate we are quite within our rights to just treat it as wild speculation. To begin with, I do not accept for one moment that there is anything about sinking any \$3 million into any swamp, and I believe that both Senators will be well advised to check their facts before they come in here and then they will know what they are talking about, but if they come with speculation we will treat speculation like speculation. (SENATOR N. W. BOXILL: As you are accustomed treating everything).

Mr. PRESIDENT: I will call on Senator Trotman to reply.

SENATOR O'BRIEN TROTMAN: Mr. President, apparently the Senator is unsure of exactly which portion of land he is enquiring about, and therefore I am unsure as to how to reply to this unsure question. I really have not got the information to his question.

Mr. PRESIDENT: I think that in all fairness if there is any question of doubt the Minister should undertake to look into the matter for the satisfaction of the Senate at a later date, and that would provide an opportunity for the Senators who had doubts to raise the matter on some other appropriate issue.

SENATOR O'BRIEN TROTMAN: I will give that undertaking, Sir.

The question that the Senate concur in the Resolution was put to the Senate and agreed to.

COMPULSORY ACQUISITION OF LAND AT WORKMANS, ST. GEORGE

The second order of the day was called — to move the passing of a Resolution to approve the compulsory acquisition of land at Workmans, St. George, for the widening of the access road to the Pulverisation Plant.

SENATOR O'BRIEN TROTMAN: Mr. President, the Pulverisation Plant which was established at a cost of just over \$4 million is now functioning well. As I understand it, the plant handles about 15 tons of garbage per hour and the roads which now need straightening and widening were in fact originally established back in 1978, and it is now discovered that the roads are not wide enough and straight enough to have proper access to the plant. It is therefore necessary for us to acquire the portions of land, I think there are 15, in the Schedule to the Resolution in order to improve the access road to the Pulverisation Plant.

I beg to move that the Senate concur in the Resolution.

SENATOR W. O. FRANKLIN: Mr. President, may I take this opportunity to make a few general remarks on compulsory acquisition as a whole, not specifically this one, and these remarks are as a result of having dealt with some of these compulsory acquisitions. I think the time is about ripe where Government is going to have to seriously consider having a look at the Compulsory Acquisition Act of Barbados specifically in regard to the compensation clause in that Act. The present compensation clause, Mr. President, in the Act which was borrowed from the English Act speaks about compensation for the property according to the existing market value, and in cases where a case is made out for loss of profits, etc., these are allowed very grudgingly whether by this government or the other Government.

What I have discovered from my dealing with compensation is that most of the people who have had their property compulsorily acquired by Government have been at a disadvantage in the open market, the reason being that the Barbados market is relatively slow and relatively small as far as real estate markets are concerned, and the theory that a person having had his parcel acquired should be able to acquire a similar parcel is not always a very easy thing for him to do; so what you find is that in most cases people who have had their property acquired by Government through no fault of their own find themselves in considerable debt in replacing themselves in a similar situation, because more often than not they have to acquire land and build a new building of comparative accommodation which at present day prices is a lot more expensive than what they would have been compensated for, and I think the time is ripe that serious consideration would have to be given in our Compulsory Acquisition Act for compensation to be based on replacement cost and not on the market value as at the date of acquisition. That, Mr. President, plus the fact that I think we are going to have to try very hard to speed up the process of payment for these compulsory acquisitions for the people, because sometimes they suffer considerable harm in the delay due to no fault of the policy makers. The administrative machinery is relatively slow and I think that now is the time that we are going to have to have a very serious look particularly at the clause in the Compulsory Acquisition Act which talks about compensation being based on market value.

It is my contention that the time is now ripe that people whose property has been acquired for the development of this country should be placed in the position of a replacement cost method where they would not suffer any financial loss or any inconvenience due to the development of this country.

The question that the Senate concur in the Resolution was put and agreed to.

FIRST READING OF BILLS

SENATOR THE HON. N. A. BARROW: Mr. President, I beg to move the first reading of a Bill to amend the Estate Duty Act, Cap. 70.

Mr. PRESIDENT: Let it be recorded in the Minutes that this Bill has been read a first time.

SENATOR THE HON. N. A. BARROW: Mr. President, I beg to move the first reading of a Bill respecting ships, crews and safety at sea and for matters consequential, related or incidental thereto.

Mr. PRESIDENT: Let it be recorded in the Minutes that this Bill has been read a first time.

SENATOR THE HON. N. A. BARROW: Mr. President, I beg to move the first reading of a Bill to amend the Development (Canadian Loan) (Water Development) Act.

Mr. PRESIDENT: Let it be recorded in the Minutes that this Bill has been read a first time.

THE ADJOURNMENT

SENATOR THE HON. N. A. BARROW: Mr. President, I beg to move that this Senate do now adjourn until this day week, Wednesday, 4th March, 1981, at 2.30 p.m.

The question was put to the Senate and agreed to and Mr. President adjourned the Senate accordingly. 3.30 p.m.

THE SENATE DEBATES

(OFFICIAL REPORT)

SECOND SESSION 1976 – 81

THE SENATE

Wednesday, 4th March, 1981.

The Senate met in the Senate Chamber, Public Buildings, on Wednesday the 4th March, 1981, at 2.45 p.m.

PRESENT

His Honour Senator the Honourable Sir ARNOTT CATO, M.B., Ch.B., LL.D., (President); His Honour Senator the Rev. G. ANDREW HATCH, M.A., (Deputy President); Senator the Hon. N. A. BARROW, B.A., LL.B., (Minister of Information) (Leader of the Senate); Senator O'BRIEN TROTMAN, (Parliamentary Secretary, Prime Minister's Office); Senator Sir MENCEA COX; Senator H. F. G. ROCHEFORD, B.A.; Senator AARON TRUSS; Senator H. R. LINTON, LL.B.; Senator K. E. HINDS; Senator Miss O. A. LYNCH, B.A., Dip. Ed.; Senator K. R. HEWITT, B.Com., C.A.; Senator Mrs. E. M. LYNCH, B.A.; Senator J. D. S. MACKENZIE; Senator N. W. BOXILL; Senator W. O. FRANKLIN, J.P., A.I.A.S. and Senator R. E. BRATHWAITE.

Prayers were read by the Rev. Dr. Lionel Crawford.

ABSENT

SENATORS R. FIELD; C. DEANE; M. BLACKMAN; J. WICKHAM and Hon. D. BLACKMAN.

PRESENTATION OF PAPERS

SENATOR THE HON. N. A. BARROW: Mr. Deputy President, I have the honour to lay the following:—

Report on Penal Reform in Barbados by Professor Howard Jones, U.K. Consultant.

Report of the Chuck Committee on the Jones' Report on Penal Reform.

Statement showing Net Customs and Excise Receipts for ten months ended 31st January, 1981.

The Twenty-first Annual Report and Statement of Accounts of the Barbados Board of Tourism for the year ended 31st March, 1980.

Mr. DEPUTY PRESIDENT: Let it be recorded that these Papers have been laid.

PUBLIC BUSINESS

SENATOR THE HON. N. A. BARROW: Mr. Deputy President, there is an Item which falls to be dealt with this afternoon and which does not appear on the Order Paper. It is the Land Acquisition Resolution relating to land at Bay Street for extending the Family Planning Association accommodation, notice of which was given in this Honourable Senate on the 20th November, 1980 and questions were raised. It was not proceeded with immediately but it disappeared from the Order Paper after the 20th December, 1980 and it is one of the matters which will be dealt with this afternoon. I am not aware why it disappeared from the Order Paper but it did.

I wish, Sir, to take this opportunity also to indicate that we will be adjourning until next Wednesday and it will be my intention then to proceed with the Bribery and Corruption Bill. We have been already putting it back until the Integrity Legislation was passed. Work of the Select Committee it is anticipated will take some time and therefore rather than having this one also held back, it is now considered that it would be better to proceed with it so that if there is occasion for amendments resulting from the passage of the Integrity Legislation, it can then be amended at that time but for the time being it

would be inadvisable to hold it back so next week we shall be offering it when we meet.

Apart from that, Sir, that is the only Item on the Order Paper which we are not necessarily going to proceed with. Senator Blackman is dealing with the Shipping Bill and perhaps with the Vital Statistics Bill so that we will take everything in order unless he is not here by the time the First Order is finished, Sir.

ESTATE DUTY (AMENDMENT) ACT, 1981

The First Order of the Day was called — To move the Second Reading of a Bill to amend the Estate Duty Act, Cap. 70.

SENATOR THE HON. N. A. BARROW: Mr. Deputy President, this is a pretty simple, straightforward piece of legislation which is indeed very, very technical. It is the kind of thing, Sir, that actuaries understand and the lesser mortals have really to follow their advice.

The Estate Succession Duties Act, Cap. 70, has in section 45 a section dealing with the value of succession and it says "... where the successor is entitled for life, ascertained and determined by reference to the table contained in the Third Schedule." Immediately prior to that, you have that "if the interest of the successor extends to the whole income of the property, the value of the succession shall be the principal value of that property; and if the interest of the successor extends to less than the whole income of the property, the principal value of an addition to the property equal to the income to which the interest extends;".... and so on, but this one has to be determined by reference to the Third Schedule which is a Table, because, Sir, it deals with annuities, so that there has to be some clearly understood and recognisable formula whereby the value of an estate where it is a matter of annuity will be determined.

The existing Schedule is really a conversion from the Table of pounds sterling in the United Kingdom Succession Duty Act of 1853. These are considered to be out of date and therefore actuaries were called in to advise the Government as to what an appropriate Table would be, and the advice which was tendered and which has been accepted forms the basis for the Resolution this afternoon, in that the actuarial advice is that this Table should be one which should stand for a number of years.

As I say, Sir, it is a highly technical matter, and not being an actuary I am not able to deal with the merits of the Table. From a policy position, if the existing Table is out of date and needs to be replaced, then since the matter of actuarial business you get actuarial advice and replace it.

I move that this Bill be read a second time.

The question was put to the Senate and agreed to.

APPOINTMENT OF CHAIRMAN OF COMMITTEES

SENATOR THE HON. N. A. BARROW: Mr. Deputy President, before we proceed to commit this Bill without a Chairman for the period of the absence of the President, while you yourself are presiding, I wish to propose that Senator Sir Mencea Cox be Chairman of Committees.

The question was put to the Senate and agreed to.

On the motion of SENATOR THE HON. N. A. BARROW, the Senate resolved itself into a Committee on the Bill, SENATOR SIR MENCEA COX in the Chair.

SENATOR K. E. HINDS: Mr. Chairman, I beg to move that the Bill be taken as read.

The question was put to the Senate and agreed to.

Clauses 1 and 2 were called and passed.

SENATOR THE HON. N. A. BARROW: Mr. Chairman, I beg to move that the Senate do now resume and the Bill be reported.

The question was put to the Senate and agreed to.

Mr. DEPUTY PRESIDENT resumed the Chair.

SENATOR THE HON. N. A. BARROW: Mr. Deputy President, I beg to report the Bill has passed the committee without amendment, and move that it be read a third time forthwith.

The question was put to the Senate and agreed to.

SENATOR THE HON. N. A. BARROW: I beg to move that this Bill do now pass.

The question was put to the Senate and agreed to.

THE DEVELOPMENT (CANADIAN LOAN) (WATER DEVELOPMENT) (AMEND- MENT) ACT, 1981

SENATOR THE HON. N. A. BARROW: Mr. Deputy President, this one is about water and therefore one expects it to be non-controversial.

Now, Sir, we can hardly expect to have a debate over water when we do not have a debate over succession and estate duties. However, Sir, such is the nature of things that we need to look first of all to the reason for

the legislation and secondly to what is the application of those funds which are the subject of the loan.

In the first place, Sir, there is a limit in our laws. I think it is Cap. 94A. The limit was first something like \$2.6 million and it was raised to facilitate the loan of \$3.1 million now it is being raised further to facilitate a loan of \$6.5 million. The loan of \$2.6 million is not still outstanding. The repayments on the loan of \$3 million will begin some time in 1982. In the meantime in respect of that loan interest at the rate of 3% is being paid half yearly. The next payment is due on 31st March, 1981. Since the interest payments have been kept up to date, it therefore means that the extent to which we are committed within the limits set by the Act would be \$3 million. Accordingly it therefore became necessary for the limits of the Act to be raised at least to \$9.5 million, and a round figure of \$Can. 10 million is the figure that was chosen. That I believe should reasonably dispose of why the limit needs to be raised and why \$Can. 10 million.

In respect of the rest of it, Sir, the legislation before us represents continuing cooperation between the governments of Canada and of Barbados in the application of Canadian funds to the development of our water resources. It is a fact that successive governments have sought to develop the water resources and to deploy them in such a way as to bring the greatest possible benefit to the people of this country. Within that one might find differences in emphasis, and such differences as one might find I would submit are more related to the nature of the time than to any basic difference in objectives. I refer, Sir, to whether in 1981 one can have a programme such as the one of this government which says the aim is to get water in every home and to get it in there as fast as possible. I am saying that once you have reached a level such as we have in this country, there can be no other intelligent or intelligible aim than that water be brought to every home in this country.

Also, Sir, there is the supply of water for irrigation purposes if agriculture is going to continue as a significant contributor to the economy and perhaps to have that contribution enhanced. Also, Sir, there is the use of water for commercial and industrial purposes. For this reason one finds that it is necessary to have a comprehensive policy relating to the development, use and management of the water resources. There was therefore a water resources study and a report of 1977 in relation to that, and some of the main findings of the water resources study is that water is available to meet the demands for public water supply to the year 2 000, an estimated 46 million gallons per day, and that includes water for industrial, domestic and tourism requirements. Some 10 million gallons per day should be allocated to agriculture by the year 2 000; some eleven additional pumping resources it is recommended we should build. That is

how you efficiently manage your resource, and as you know, Sir, a Water Authority is being established even though I do not believe that anyone can honestly say that the country was badly served by the Waterworks Department. One can point to obvious areas where there could have improved their performance, areas such as the sending out of bills on time which would not only facilitate the consumer, but also ease the cash flow problems within the Department itself. If you bill people early, you tend to get a response early, but on the whole it is my view that the service which the Waterworks Department has given has been a high quality service, and if we therefore have for a long time been able to have a sensible and responsible approach to the planning, development, management and employment of our water resources, we cannot just look elsewhere and put the praise for that on a number of other people without recognising that it meant we had staff within that department which was capable of delivering a consistent quality service. We are therefore, because of this reason, always in a position to call on the department and to get them to come up with analyses of our present situation and to furnish the information on which one devises development programmes.

The significance of this legislation is that that effort has been in no small way assisted by the Government of Canada. In 1970 they gave the first loan of \$CAN. 2.5 million and in 1975 a second loan of \$CAN. 3.1 million. No labour costs were met from these funds and materials were purchased in Canada. I am referring to that point, Sir, because it becomes fashionable to criticise aid programmes on the ground that those who lend are lending to stimulate their own productive capacity, and somehow we move from there to a position of saying that those who borrow such funds are merely made poorer by the borrowing.

I have heard that kind of reasoning more significantly for its lack of than for its soundness. The fact of the matter is, Sir, that if you need something, it is for you to evaluate whether that need is being served by any transaction into which you enter.

If you take, for example, the business of being tied in a loan of this nature from purchasing from Canada, in 1981, the fact of inflation, the fact of the value of the British pound and the strength of other European currencies all of these things are taken into account in trying to work out the extent to which purchasing the Canadian product is advisable.

The change in money values has provided one of the answers to this because the Canadian dollar is so much weaker in relation to the pound sterling but looking at the traditional area of purchase and the available areas of purchase, it is cheaper to purchase the Canadian product than to purchase the United Kingdom product. I

am talking about the products for this purpose, obviously, I do not propose to extend from the particular to the general. I am dealing with the products for this purpose.

Secondly, because the terms of the financing are set, it works out that this make a purchase even cheaper so for those who might wish to argue that you should not enter into an agreement where you have to purchase from the donor country, I would like to advise to look at what it is you are getting and on that basis you may find that you are already purchasing in the cheapest place and what is also important is that the term of the purchase may make it cheaper to purchase in that particular market so as is the case now that (a), you are purchasing in the cheapest place and (b), you also have the advantage of a very soft loan to make your purchase.

Under the two Agreements going for 1970 - 1975, and 1975 - 1980, 3.63 miles of 16 inch main was laid, 16.43 miles of 10 inch main, 21.76 miles of 6 inch main, 9.43 miles of 12 inch main, 18.82 miles of 8 inch main, 92.21 miles of 14 inch main generally of ductile iron were laid. I am afraid, Sir, I cannot tell you how many kilometers these would represent, not even if I did a rough calculation of multiplying by 5 and dividing by 3.

It is this primarily, Sir, that has facilitated the distribution of mains to new developments and the small villages which has enabled the Government to take water into areas that obviously did not have water. It is within this context that we have had some seven storied Reservoirs commissioned and two new steel tanks ordered under this same programme.

There is a lot more which can be said to indicate how beneficial this programme has been to us. Within this context there was a professional Engineer lent, then there was the Electronic equipping of vehicles. The range of benefits under the Programme has extended to nearly everything except labour.

Take the case, Sir, of the station at Hampton where there has been a stand-by diesel alternator installed. This provided greater flexibility in the operation of this station and they are capable of taking the full load of the station when normal power supplies are interrupted. In the smaller stations you see portable diesel alternators installed.

As I mentioned before, communication sets have been put into the vehicles so that the general efficiency of the Department can be raised and the Water Resources Study to which I referred and which was funded by IADB which does permit us to modify our Water Development Programme. Again, one is able to apply funds coming from this source to apply within our modified development programmes.

I believe, Sir, that for me to continue any further I would now have to go into the kind of detail as to what has to be done for the Bridgetown system, what stations are to be built, like the new one at Codrington to replace the old galvanised hut that presently house the Booster pumps and switch gear. The West Coast system, the linkages, for example, when you use the main at Vacluse to boost the Bowmanston supply. I do not believe, Sir, that there are many Senators who will wish me to embark on that detailed mission.

I believe, Sir, that by sticking to the general outline I should have succeeded in indicating the general beneficial nature of this programme.

Mr. Deputy President, I move that this Bill be read a second time.

SENATOR W. O. FRANKLIN: Mr. Deputy President, this Bill does not pose any problem for me, since I believe that the Waterworks Department has been one of the few Government Departments that have brought some measure of efficiency and proficiency to its service, and I would like to go on record in this particular debate in saying that in Mr. Sealy and his staff this Government, as well as the former Government, was well served.

There are only one or two general observations I would like to make about the Waterworks Department, one of which concerns particularly the cost of water mains for development purposes. This has been rising steadily over the last couple of years and it is at the stage where now, to my latest knowledge, the cost of installing a 4 inch water main in a private development runs something like 30 to 33 dollars per running foot. I know the thought could well be that the Government should not be subsidising private enterprise, but I think one needs to look further afield to see if this is not a short sighted policy.

One of the problems that we are presently experiencing in Barbados, the most acute problem in my opinion, is the quality of the housing stock in Barbados, and if one has paid close attention to the development of housing in the past, it cannot but be noted that the improvement in housing stock goes hand in hand with the individual ownership of the individual parcels of land by the persons concerned. A notable example of this can be seen from the tremendous improvement in the housing stock in the tenancies which followed the Tenantry Control Bill passed by the former administration.

My reason for suggesting that Government should give serious thought to looking at the continuing rising cost of water to developments is that development of

land for residential purposes is now becoming an extremely expensive item, in so much that the former big developers are now moving away from this type of development, and when the present set of service lots have been utilised on the market it is quite likely that Government might find itself burdened with the job of having to provide service lots to individuals for housing purposes. As can be seen now from the numerous requests being made of the National Housing Corporation for service lost, it can well be realised that if the continuing cost of infrastructural work is pushing private enterprise out of this venture, that the Government is going to find itself shouldering more and more of this type of undertaking, very much to the expense of the taxpayers as well. So well as I realise that the cost of development Waterworks must bear some semblance to the cost to Government and the Department, I think that the Government should see some type of subsidy in this direction, particularly for lower income and working class development as their subsidies towards providing the service lots for the people who so badly need them, which would allow once again the type of spirit where we see a man starts to put up a couple of walls on Sundays which has developed this housing stock to where it is.

The other point I want to raise on this particular Bill is the Government's pledge to pay the water rates for old age pensioners. I have been made to understand that this pledge is now being applied particularly to old age pensioners who are living alone, and whose source of income outside of this is non-existent. This, I think, is a variation from the original pledge which was a *carte blanche* pledge for the payment of water bills for old age pensioners.

While on the point of the payment of water rates for old age pensioners, it amuses me a little bit to see that this particular type of examination of the needs and the ability of old age pensioners to pay their water rates is now being carried out by the Social Welfare Department that has within recent times come in, in my opinion, for a very, very unwarranted attack by the Minister concerned. In praising the Waterworks Department, I did it with pleasure because they were performing creditably, and people like me who have served in the Service of Barbados in the capacity of Civil Servants would realise that it could be very demoralising when Departments are attacked unwarrantedly, when Departments are attacked because the way they are carrying out their function does not necessarily.....

SENATOR THE HON. N. A. BARROW: On a point of order, Mr. Deputy President. I believe, Sir, we still have a Standing Order to do with relevance. (SENATOR N. W. BOXILL: What is the point of order?) Sir, if one wishes me to spell out the point of order I can quote the relevant Standing Order. What is being said about

something to do with an attack on some Department has no relevance whatever to the subject under discussion.

Mr. DEPUTY PRESIDENT: I think it was, Senator Barrow, in the context that the same Department was being used for the assessment of the ability of pensioners to pay. In that sense, though it may be a tangential connection, I think there is some connection. Senator Franklin.

SENATOR W. O. FRANKLIN: Thank you, Mr. Deputy President. As I was saying, you cannot on one occasion depend on the professional integrity of a staff to administer one section of its work, and on the other occasion attack the same integrity of that staff when in carrying out their function it does not keep in the furtherance of the political aspirations of individuals concerned.

Mr. Deputy President, it is my knowledge that the morale at the Welfare Department is now at a very low ebb. This is due principally to the unwarranted attack and political interference by the Minister responsible for the Welfare Department in the day to day administration of this Department.

Mr. DEPUTY PRESIDENT: Senator Franklin, I think while I did allow that there was some relationship, I do not think you can go into a full discussion on the Social Welfare Department under the heading of Water. I think therefore you should return to the water aspect of this legislation.

SENATOR W. O. FRANKLIN: Thank you, Mr. Deputy President. If I may return to the Item under discussion, I was saying that I am indeed pleased to see that at least that section of the Government's pledge to pay the water bills of some old age pensioners is being honoured, and I would only say at this stage that I am glad to see that the appropriate Ministry has seen it fit to accept the professional integrity of the Welfare Department's officers in examining the causes and in examining the need for individual old age pensioners for this service. I am glad and sincerely hope that this acceptance of the professional integrity of the staff at the Welfare Department will be more widespread than it presently is and that they will be allowed to continue to function as professionals in the Department.

The Bill poses no problem for me because it is in pursuance of a water plan that was well documented long before 1952, and I am glad to see that the present administration is continuing this policy to further develop the water resources and bring that type of community service to the people of Barbados, and I look forward to the day when, as it is now said, every home in Barbados has a piped water service.

SENATOR R. E. BRATHWAITE: Mr. Deputy President, I am very happy to stand here and say something in commendation of Government on this particular Bill. I am particularly pleased to see it especially for the people of Josey Hill who have to run their connections for as far as a mile from the water main, so when I see such a Bill as this, it makes me feel happy because the people especially at Josey Hill sometimes have to use fifty lengths of pipe, and you know that is a very hard strain on residents.

Before I go into my speech, I would like to refer a little to Senator Franklin when he spoke about taking out certain people at a certain age limit. I want to refer to what Senator Franklin said, because suppose the Franklin brothers cared to go back home and live at their father, I wonder if it would be fair to have such a home with so many qualified and salaried people getting their waterworks bill paid for them. I think it is quite fair that you should screen and see the people who are in need of having their water bill paid.

Mr. Deputy President, I am very happy also and I would like to commend the Waterworks Department for the able way that they go about their business. I would say it is one of the best departments we have in Barbados especially along the lines of building, because I am sure that if on any morning you speak to Mr. Sealey and he tells you you will get a connection at 12 o'clock, at five minutes to 12 o'clock the truck is there to connect your water main so that things can go on. This is very good. However in commending them, there are some weak spots which we have to bring to their attention. Sometimes a bus or a heavy rock roller passes close to where the main and your connection run and disconnect the pipe, and you still have to pay for the re-connection. I think that is ridiculous and could not be fair, because I believe that if the pipe bursts on your land, you should be responsible, but if it bursts where it is connected at the roadside, I do not think it is fair at all that you should have to pay. Sometimes too the Waterworks Department sends you a bill for a meter which they have repaired, and although people are living in the house they do not report to anyone to let them know that they are repairing a meter or anything like that, but you still have to bear with it, otherwise your water would be disconnected.

Mr. Deputy President, I realise that the Waterworks Department cannot answer all the calls at the same time because you get pipes bursting all over the place, and whereas the wealthy people of this country have the privilege of having overhead tanks when the water is off for an hour or two and they can still get water, there are small people who may sometimes be in the bathroom and the water goes off because somebody has started to work on the main and you have not been given any notice at all. At times I have heard in the south a notice that at

such and such a time the water will be off, but in my district, as happened yesterday, the water goes off and nobody warns you or tells you anything and just leave you in the dark. Although we say it is one of the most efficient and best run departments in the island, I still feel that there are a few areas where they should be criticised.

SENATOR J. D. S. MACKENZIE: Mr. Deputy President, basically I do not rise to oppose in any way the content of this Bill, because it makes sense. It is a loan from Canada covering the development of our water resources, and I am glad to see like everyone else that more and more of the homes in Barbados are getting piped water run in. I made some enquiries to see just roughly how many homes there were in Barbados, and I was told there were somewhere between 65,000 to 68,000 homes and of those homes some 80% of them now have running water. I think that is an excellent record. I understand that this new loan of \$6.5 million will be mainly for the purchase of pipes to continue the laying of mains for bringing water to homes and to villages and areas that are in outlying districts, and that the government themselves are going to put up counterpart funds almost at the same level in order to cover the cost of reservoirs, more pumping equipment and the actual construction of the reservoirs and the labour content for so doing.

I would like to say how pleased I am that the Canadians have been able to make such soft loans available to us through their aid programme for such an important development. The loans I understand are 3% interest-bearing loans, or at least this loan is, and there is a moratorium of ten years before you have to start paying back, and so I think it is very generous.

Arising out of this, Sir, I would like to say that there is in my opinion concern for just one thing. Before I express my concern though, I should like to join with fellow members in saying that I do think that Mr. Sealey and his people at the Waterworks Department generally speaking do a very good job. The only criticism that I can make of them, if it were really criticism, because I do not know how their labour force is operated, is that sometimes when you report a broken main, it often takes a long time before they can send to fix it, which seems to be a terrible waste of water. I do not know why that is so. Maybe the labour force is being used at other sites and they cannot free them as easily to go and fix the water mains, so they usually go after hours.

Let me come back, Sir, to one fundamental thing and this is really what is worrying me most of all. The Waterworks Department at the present time has an annual excess of expenditure over revenue that ranges between \$6 million or \$7 million. Now from the 1st April this year we are going to have a Barbados Water and Sewage

Authority, and they are going to bring the Waterworks Department together with the Sewage Department. Under the terms of the loan that came from the IADB, the Waterworks and Sewage Departments must become a viable operation within seven years of the conclusion of the contract for the sewage project.

By becoming viable what it means is that they must be able to raise enough revenue that they will be able to cover their operating expenses and hopefully the depreciation of their equipment used but not the capital replacement.

Now, Sir, this is a fairly big and large loan for this Sewerage Project and I do not know how they will arrive at charges to cover or to make it viable but I can see that if on the one hand we are in a deficit position with the Waterworks Department annually and on the other hand we are going to have a Sewerage Project that we are going to have to start to pay for and the revenue is going to have to come up that they will become viable operations, then I can see that in the future the level of the water rates must go up tremendously in order to be viable in seven years, the date of the conclusion of the Sewerage Project.

I had asked the question whether the use of meters was a good idea where everyone could then pay for what they had in fact used. The concept of meters, as I understand, is not a viable project for everyone because meters first of all are expensive things and also they are very expensive to repair because the water that runs through them, which is all water, although it is pure it is hard water and has a large content of lime and the meters continuously lime up and have to be replaced because they would not function and they would not have recorded what people are having through the meter after a short while so there have to be a tough situation to see when the meters do stop or otherwise householders would not report it because it is not to their advantage to do so and also the cost of the repairs.

I do not know what basis of charges will eventually come about to make this thing viable but I am truly a bit apprehensive about the rates that would have to be charged because we have a deficit of \$6 million to \$7 million on the one hand to make the Waterworks viable and we have a Sewerage Project which we now have to make charges for and the two together are going to be formed on the 1st of April of this year as an Authority. The Barbados Water and Sewerage Authority, and it concerns me with regard to the level of the charges to be made.

Now I understand further, Mr. President, that the Waterworks Department has some 25,000 or 26,000 accounts that pay at the level and at the rate of about \$20 per period, whatever the period is, so there is room

for that to go up to some extent but it seems to me that the burden has got to be carried further up the line and it is going to affect a lot of other people who are finding it difficult with the cost-of-living increases to be able to meet increased payments of the magnitude that I anticipate that would have to be charged in order to make this operation viable.

I would like just to say, Sir, and to make a general comment that I think that if we are to recognise that water is the first basic need of human beings — I think the order is water, food, clothing and shelter, water is number one — it is essential that we have a pure water supply and that we have it in abundance.

Now a Study was done in 1968 I think and it took about two and a half years to be done by Mr. Sealy who was seconded to do this Study and I believe the Study was a very well thoughtout Study and it was done so well that it was accepted without any further study having to be made. It was accepted by the Canadian Government and it formed the basis on which they made these soft loans available to Barbados and in that Study, as the Leader said, we can go to about 46 million gallons a day before we run into any difficulties with regard to having perhaps brackish water come into the system so we have enough, beyond any shadow of a doubt, to carry us for quite a long time as our annual pumping rate is 23 million gallons a day, to date, so we have a fairly long way that we can go.

In principle, Mr. President, therefore I support the Bill. I have nothing to say against the Bill. The only reason that I got up was to say that I was apprehensive about the charges that would have to be made in the future because of the problems that I outlined and again I would like to say that I think the Waterworks Department, generally, speaking, is a very well run and very efficient Department. Thank you, Sir.

SENATOR N. BOXILL: Mr. Deputy President, in 1976 and prior to that we the people of Barbados were led to believe that our National Debt which was at the time approximately \$240 million was too high and therefore Barbados was going to be sold out and what have you. I am a bit concerned. I am concerned, not about the water because I do not believe that there is anybody in this Chamber who can speak with more authority on the water subject than I can, but I am concerned about our National Debt.

It would seem to me that the members of the Barbados Labour Party seem to think that money is going out of fashion and therefore they have to get money as quickly as possible before it leaves this earth. I am a bit concerned because I believe that our National Debt has jumped in four years time from the \$240 million to any-

where from close to over \$8 hundred million. This is my belief.

I am going to support this Bill but before I do so I have to tell you how concerned I am because as a Barbadian it means that I will have to be footing part of this bill. It is all right to talk about passing it on to future generations but we do not know if the future generations will come. I am concerned because every time we look into the papers, every time you listen to the news media, you hear that the Government of Barbados has just got a loan for \$20 million, \$10 million and \$8 million. This thing has got me worried because as I said they are getting on as if money is going out of fashion.

Anyhow, Mr. Deputy President, in dealing with this Bill Senator MacKenzie threw some light on it when he said that the interest rate is going to be 3%. I hope that is true and I do not believe that Senator MacKenzie will mislead us because he does a lot of his homework. If it is 3% and we have a moratorium of ten years, all right. By that time I might pass away but I am worried about my children.

It is good to get something like this from the Canadian Government and the Canadian Government has always been good to Barbados. I was going to say to the West Indies but I would say in particular to Barbados because I remember during the last War when flour was scarce in the West Indies the Canadian Government used to supply Barbados with flour and we in turn used to supply Trinidad with flour.

Now dealing with this Bill as it is what I would like to suggest and I am sorry that the Minister who is responsible is not here and I would like what I am saying to be reported to him.

Our soil is of a salty condition and I get worried about these cast iron pipes which we use, because I have been noticing that in other places, in Canada, for instance, where the soil is not as salty as ours, their pipes remain underground for quite some time before they start to rust out. Ours tend to rust pretty quickly, and it would be a good idea if we can get some plastic pipe. I believe it would last much longer. I do not know if it is possible, I am just throwing this out, because dealing with the Waterworks as I have had to deal with the Waterworks I have noticed that you put down a main this year, and may be the next two or three years you hear that the main has burst, and when you go to examine it you are amazed to see the amount of rust that has taken place, and I believe it is because of the salt in our soil.

It is also because, as Senator MacKenzie has said, our water is a bit hard and it has an amount of lime. Therefore if we can get some reinforced plastic pipes — I do not know if this is the best thing, I am only throwing

it out as a suggestion, maybe it might not prove as successful as I would like it to be, because heavy equipment goes over it and so on — but I think if we can manage this thing, with the amount of miles of pipe that Senator Barrow talked about, this would go a long way in alleviating some of the situations which we undergo here.

Now, in addressing my remarks to Senator Brathwaite, he was saying that there are some unfair things that take place with your pipe getting burst, the Waterworks coming and fixing it and you have to pay for it although it is in the road. This is true, this is the law, and I can go even further than this. There was a burst pipe by my wall, Mr. Deputy President, and I am one of these people who are very conscious about the wastage of water. Even today, although I am not a Minister, and I am driving my car and I see a pipe running, I stop and try to turn the pipe off, and I would like the Minister who is responsible for...he is not listening.....I would like the Minister to tell the Minister who is responsible for Waterworks that there are lots of pipes in Bridgetown, especially below where the Advocate Newspaper used to operate, you go through any of those alleys and you will see pipes that have been running there from toilets for years. Here is where we are losing a lot of money.

The water rates are very high in Barbados because of what we have to pay to get the water to the top of the well head, and this is where we have to pay the electric company. This is our problem, having to pump the water up is what is costing us this lot of expense. If we can get some of these leaking faucets to stop, then we would not have to pump as much. It might not appear to the average person, but a pipe just dripping so for 24 hours can drip something like 200 gallons in 24 hours' time, and that is a lot of water. If you doubt me, Sir, if you have a leaking faucet, when you go home put a bath pan under it and you will be surprised to see how quickly it will overflow. This is a fact. Here is where we are losing a lot of money, because we have to constantly pay the electric company to bring water on the well head, and when it gets on the well head it then goes back down into the well because a lot of leaking faucets drip away this water.

I was telling Senator Brathwaite, there was a leaking main out by my wall which really was deteriorating my wall. As the good citizen that I think I am, I called the Waterworks to notify them about having this thing rectified. They came and fixed it, and you know they sent me a bill. It was not my pipe, and this amount has been appearing on my bill now for about three years. I pay what I know I should pay, I notified them that I do not owe them, but do you know they still send back the Bill to me? Every time they send a bill they send one for \$40 for about three years, so I told them to put me in court. This is the sort of thing that we are getting.

I would say that the Waterworks Department is understaffed, because for the amount of taps that you would have leaking and you call the Waterworks and ask them to come and put in a washer. They do not come and you are getting your place washed away, so you call in a plumber, and there is no plumber who is going to come and because it is just a simple washer put it in for less than 8 or 10 dollars, but if the Waterworks come and did it, I do not think you would have to pay, but this is the problem which we will have to undergo.

I do not know what is the solution to the problem, but what I would like to say is, if your pipe is burst, it is the law that you will have to pay for it. It has always been the law and until it is changed it will remain so, and I do not think that it is a bad law anyhow, because if it were not so you would have a pipe burst and you would not notify it, because a lot of people in Barbados are unmindful of the importance of water.

Now, I would like to hear from the Minister what plans they have for metered services. My water bill was so high a few months ago, Mr. Deputy President, that I called on the Waterworks to instal a meter for me. They first told me they did not have any meters. I told them they did not have any problem about a meter, because I have one on my garden pipe, and they could put all my service on the meter, including the garden service. They told me they had orders not to put my service — they said my service, I do not know why — they had orders not to put my service on a metered service. This cannot be fair, because if I were to tell you the amount of money that I am paying for water you would think I am running a hotel, and I do not think it is fair to me. Anyhow, I think we will have to let the law decide that, but I would like to hear from the Minister what they propose to do about this, because it is not fair that I have a meter on my garden pipe, I want my service go on a metered service, and I am being told no, that they cannot do it. It is not that they do not have meters, because I already have a meter and I made it quite clear to them and they told me no. When I went to enquire why, they said those were the orders they had. I asked from whom and they said from up top.

I am saying this because I want it in the debates, because I want it to go down that I said so today, and it is not fair to me, and I am sure there are other people who probably suffered a similar fate. We have to have a policy. I would like to hear from the introducer of this Bill when I sit down why I cannot get my service go on a meter, because I really cannot go on, and as Senator MacKenzie has said, if we have to amortise this debt, the water rates, in seven years' time, and the Waterworks is being run at a deficit right now, you can imagine what is going to happen with the pensioners, you can imagine what is going to happen with the fellow who lives on a fixed salary, you can imagine what is going to happen

with poor people, you can imagine what is going to happen with rich people, because people have the misguided idea here in Barbados that we are getting water too cheaply. I do not agree with that. When I called on Mr. Sealy to find out why he did not put my service on a meter, when I told him that I am paying too much, he allowed me to know that my water rates are not as high as my electricity rates. But I would like Mr. Sealy to know that I can go next door and beg for a bucket of water or go to a standpipe and catch a bucket of water, but I cannot go next door and beg for a little electricity, so I did not think the two were commensurate at all.

I would like to hear when I sit down from the introducer of this Bill what plans they have, if he knows them. We know we are going to get water in everybody's place, and he knows when I was a Minister I think I put in more pipes as a Minister of Communications and Works than anybody else. I can afford to speak, and not only that, you will remember, Mr. Deputy President, when we had Mr. Parfitt, then we had Mr. Johnson and then we had Mr. Sealy.

The reason why I can talk the way I am talking is because I was responsible for Mr. Sealy becoming Chief Engineer of the Waterworks. He became Chief Engineer under me, so I know what I am talking about. As I said when I got up, I believe I know more about the water system here than anybody else in this Chamber. I would like to hear from Senator Barrow when I sit down if he can tell me any good reason why they have refused to give me the services of a meter, and what plans they have for the water-borne system in Barbados.

SENATOR Sir MENCEA COX: Mr. Deputy President, there has been quite some talk about this water service, and I thank first of all Senator Franklin for accepting my *sotto voce* that this took place from 1952. In 1952 I had the privilege of taking a Resolution to the House of Assembly for \$12,000 to pay a water-engineer by the name of Mr. Garrod and bring him into Barbados to organise our water system. Mr. Garrod spent quite a few years here and I think he left some time in 1957 or thereabouts, and I would say that he did a remarkably good job for Barbados. He was able to sink two wells in the place which is called Sweet Bottom, which is Sweet Vale and push some water into the Golden Ridge Reservoir. He also sunk a well at Haymans in St. Peter which fed that area down to St. Lucy because before we had it going from all the way up Bowmanston and up by Vauclose. As a matter of fact, I used to make some sport and say that when the water got up by Vauclose, it became tired and could not reach St. Lucy. He also imported a bridge which he erected over the ravine at the Belle and took a twenty-one inch main up to Hanson Reservoir and he was responsible for putting down that 21-inch main which ran all down by the Lazaretto and

fed the main down to St. James and St. Peter. Many areas were covered and pipes were put in all the areas and thousands of people in this country were able to get water in their homes.

When ministerial government started and I was responsible for Communications and Works and Housing, I made it possible with the consent and agreement of the Governor-in-Executive Committee that persons could pay 25% of the cost of the connection and pay the other 75% in two years' time, and indeed, Sir, there were thousands of persons who were able to get water in their homes. All up Cave Hill and many other places in this country were supplied with water as a result of the work done by this great man. We even went as far as purchasing land at Hampden to install a reservoir there, but of course we were not able to do so because we were put out of office. I do not like to use the word "power". So, Sir, in discussing this question, I do not think that I could have remained silent when that great man came here and did such a remarkably good job along with the report from the gentleman whom we call Dr. Senn who was connected with the gas place up by the Garrison. In view of the fact that the hon. Senator who has just sat down shouted when I said "from 1952", I thought it necessary to say a few words and to give the background on the start of this magnificent job of supplying water to every home, because people will remember that in Boscobelle for example, and I am sure that Senator Brathwaite knows about that, on several occasions Government had to send water down there by car, but since that well was dug at Haymans and water put into the reservoir there, I do not think from that year there was ever a shortage, because people's animals used to die down there for want of water.

I also remember that he put a 21-inch main down Hackleton's Cliff to feed the area below Foster Hall. A first-class job was done. He was also considering an estate in St. Andrew, but however I just wanted to point out that while I appreciate very much the sentiments which were expressed on behalf of the present engineer, nevertheless it was not his start at all; it was Mr. Garrod's start and Mr. Garrod had done a very good job in reorganising the water services of Barbados.

I should like to say before I sit down that I still have some sort of condemnation for that department. On several occasions I have had to ring that department to get my water bill. Sometimes two quarters pass before I can get my bill, and I would like to pay my bill immediately I get it. Sometimes two quarters pass and I have to telephone them and appeal to them to send the bill. That is a criticism which I feel has to be made. Sometimes too when no money is owed to them, you get someone coming into your place after 5 o'clock with something in his hands telling you that he has orders to collect so much, if not the water will be turned off. As a

matter of fact, one time I had to tell two parties not to turn off my water and that if they did so, I would prosecute the Government, and that was the former Government. So, Sir, I would like to see greater efficiency carried out in so far as the sending out of bills as soon thereafter as possible when the quarter is ended.

I would like to get my bill every quarter and as soon as possible after that quarter but as I said two quarters pass and I have to telephone to try to get my bill.

SENATOR THE HON. N. A. BARROW: Mr. Deputy President, there is not a lot to reply to. Now, in order to find material to which to direct my attention at this stage I am afraid I will have to follow one Senator quite frankly into an area which is at the most peripheral but I am not intending to follow him in order to compound the relevance of his contribution merely because with Senator Blackman not in his seat, I would not wish it to be thought advisable for people, as it were, to steal a march.

I could not of course reply to points made by Senator Franklin with the same sense of detail which Senator Blackman would because it is not a Department directly under my control but I would like to dispose with one of the comments first of all and this is the comment which relates to political interference by the Minister within the Social Welfare Department. That, Sir, is a Statement which reflects a certain expertise in being nonsensical.

Where a man has a direct responsibility for the administration of a Ministry or a Department how in the name of Heavens can anybody be so crass, be so obtuse, as to suggest that he is interfering. Can Senator MacKenzie interfere in McEneaney. He is accountable for how McEneaney is run. Senator Blackman is responsible for how the Welfare Department is run regardless of whether some Senators in here wish to believe it or not. That is a Constitutional responsibility. Some people think it is a five year to five year running. You get elected and do nothing after that until the next time comes around.

Nobody in here has ever objected to the kind of hostility which Senator Boxill used to show when he was Minister of Communications and Works and he used to pass the road and see people slacking. When he took strong exception to that was he interfering? It is time, Sir, that we get away from this foolishness about political interference.

We are developing some kind of theory in this country that people are to assume responsibility for things. Leave these things to run themselves and if they

do not like how the things are being run, not even risk to open their mouths to say that they do not like how these things are being run. We are encouraging the most ill-responsible and lunatic behaviour in this country when we talk about interference by a Minister in things which are his direct responsibility and I know very well what I am talking about.

There is one Statutory Corporation and when I ask them where are their Annual Reports, where are their Audited Statements, they say I am interfering and I have a legal responsibility to lay them before Parliament. You notice that I cannot lay them yet because I cannot get them from the Corporation. When we ask for them and when you say that a man is not doing his job because he cannot produce within the limits which the Law lays down, they say you are interfering and now you come in here and hear foolishness about a man interfering within the Social Welfare Department when if people do not get proper services in the Social Welfare Department, Senator Blackman's political career is on the line. If he cannot deliver his career is on the line. His performance is going to be assessed by his ability to be able to deliver services to the Departments under his control.

I daresay that there is nobody in here who is going to volunteer to carry the blame for the goodly Senator. (ASIDES). I do not want to get contentious but the fact of the matter is that the Social Welfare Department was one of those Departments where the political hand has been felt a long time ago and the politicians who were looking to have services done for their supporters have in and unabashed and shameful way used that Department so much so that some of the people in that Department — I am not trying to criticise the Department because I do not like that but it is a fact that there are one or two people associated with the Ministry that Dr. Blackman has control of and responsibility for that if you asked to see the recommendations that they would bring in for welfare housing, those recommendations reflected a very, very strong political bias.

Do you believe, Sir, that Senator Blackman is so political naive that he is going to sit down, smile, and say they are going to say that I am interfering and let somebody cut his throat like that? For so many years they have been in the habit of serving only one political master that they have forgotten that it is not done that way, Sir. We do not mind Sir, a proportion going the way how you like it but generally the people have to be served.

There are very bad stories concerning the way in which certain people have been treating the public. I am very sorry that Senator Blackman is not here to amplify this because the accusation which Senator Franklin made is most ill-advised. If Senator Franklin comes in here and

tells people that we pledged to pay the Water rates for old aged pensioners so that means all old aged pensioners, that view is simplicity in the extreme who would ever pledge to pay the Water rates for an old aged pensioner who has three or four able-bodied sons and daughters living in the house with motor cars and washing down the same motor cars with the same water Government is supposed to pay for.

There are cases where an old aged pensioner is living in a house and able-bodied working people are living in the house. Why should the services be paid for in those circumstances? That is a subsidy not for the old aged pensioner but a subsidy to the able-bodied employed persons. How could a sensible person advocate such a scheme? Of course, Senator Franklin believes in subsidies.

Sir, a couple of months back people sitting across there could understand what they read. Those people, and I am referring to Senator Franklin, he is a believer in subsidies so he believes that we should be subsidising the able-bodied people living in the old aged pensioner's house in the same way that he believes that the Government should be subsidising the land developers with the cost of laying water mains. I never thought that I would have heard about a land developer coming to Parliament and saying subsidise me like this in my life.

I believe the Senator is a land developer. I think he understands that when he develops he charges, and when he charges he is passing all the costs to the consumer, the purchaser ultimately pays. I believe also, Sir, that since the Senator is something of an expert in valuation that he can treat us to a lecture at some point as to how the cost of land, even with these new increased costs which are not Government imposed costs, the whole world is feeling this kind of inflationary spiral, even with these increased costs, Senator Franklin should tell us how the cost of developed land in Barbados compares with the cost of developed land elsewhere in the Caribbean and abroad. Land that people will not pay a dollar a square foot for in Barbados — I agree that land being developed now cannot be sold at a dollar a square foot — but when you could still get land at a dollar a square foot, land that Barbadians refused to pay that for, if they wanted to buy it in Trinidad they were paying \$15 and \$20 a square foot for it.

Let us be realistic. No developer wants to put his hand in his pocket and shell out the money, what he really wants to do is to rake it in, but do not come in here and tell me that we must subsidise you. Government could never undertake to subsidise private land developers, it could never do it, and as a matter of fact, Sir, even where the National Housing Corporation is into middle income development, Government cannot undertake to subsidise that either. What Government does is to subsidise the provision of accommodation for working

class people, the low income people are the people who are subsidised, and we will have to continue that because those are the people who feel most directly the hardships of the society, but we will not be subsidising any private land developers, so we can get that out of our minds, and if that is going to tell us that we are going to get cursed, we will have to get cursed for it.

I also heard much being said about the abuse of these people and accepting their professional integrity, that we are using the same people to collect the information. Do you know what information the people are collecting, Sir? If they have able-bodied people living in the house; that is all. The old age pension applies to the relief. If the old age pensioner is paying the bill, the relief is granted. What could be fairer than that? And all the Welfare Officer has to do is to report on whether or not it is a situation in which the benefit of that relief will be the benefit to the old age pensioner rather than an able-bodied person. Simple, straightforward, nothing for anybody to make any noise about, and I can hear Senator Franklin telling me nonsense about this business. You must accept the professional integrity of the staff at the Department because you are asking them to go and tell you if an able-bodied person is in the house. What is the connection? If the Minister has cause for complaint and he has stood up in public and said what he feels, when the occasion arises you deal with that, but do not try to make that an excuse for attacking both the Minister and the policy of assisting the aged. This party has done far more for the aged than was ever within the contemplation of the Democratic Labour Party at any time of its existence, and that is something which Senator Franklin has to bear in mind, just as he has to bear in mind that a party that refers to the Civil Service as the army of occupation cannot sound genuine when it comes in here now talking about respecting their professional integrity. One day they are the army of occupation, next day respect their professional integrity. Who are you fooling?

Sir, one of the Senators raised the question about water borne systems. All I can tell you about water borne systems is that both in the explicit decision taken by the Cabinet relating to the replacement of houses after Hurricane Allen and in the actions of the Government, by the National Housing Corporation, resulting from that, and also by the actions of the Government when the Ministry of Housing moved the residents of Emmerton into Clapham, that the policy of the Government on water borne systems ought to be quite clearly understood. It is simply this, Sir, that we believe that if you move somebody, if you replace a house, if you are building a house, whatever you are doing, everything should be done to give to that person a better quality house. That is why, contrary to the decision taken by the previous administration to remove people from Emmerton Lane to Clapham and to put them back in the same position

in which they were prior to their removal from Emmerton Lane, that is without water borne systems, every house that has been removed by this Government to Clapham has a water borne system. The policy of the Government is to be found in performance. That is why I say you cannot be thought to be genuine when you come making certain kinds of nonsense.

I would like to sympathise with my friend, Senator Boxill, because he does not understand why they will not give him a meter. I believe, Sir, the Senator could take it one of two ways. Those of us who go back to 1961 remember the Democratic Labour Party and the raging storm about introducing meters, and that was a bad thing, and the Senator was on that platform. I was not even in the country, so he cannot say me too. The Senator was on that platform and having said how they were bringing in all these meters and what a bad and wicked thing that was, comes in here in 1981 and says I want a meter.

SENATOR N. W. BOXILL: Mr. Deputy President, the hon. member said earlier it is a pity that some people do not understand what they read. I am going to say it is a pity that some people cannot read to understand anything. What I said was, I already have a meter on my garden service. I wanted the entire service on the metered service. What does that have to do with 1961? I have a meter already and I would like to know why it cannot be done.

SENATOR THE HON. N. A. BARROW: Sir, the exact parallel of 1961 is that meters for the garden service were acceptable, but meters for houses was a wicked thing, and therefore I do not believe the Senator really..... (ASIDE). I wish I knew the answer for him as to why he cannot get his meter, but I must say that it is a little ironic to hear him calling for a meter now.

The other aspect of it, Sir, is that maybe the \$40 which they keep billing him for and he would not pay, they are insisting that you pay it before they give you a meter, in which case they would be wrong.

Senator Boxill also wanted to know about the kind of pipe which was being used, and I believe, Sir, that there are technical reasons. Just like with the actuarial thing I do not enquire too far, there are technical reasons why Mr. Sealy prefers to use the type of pipes he is using. I have been assured that the point was raised with him and he gave his technical reasons.

The next thing, Sir, is Senator Boxill's statement. He said "I think I put in more pipes when I was Minister than anybody else." He also said, Sir, "I think that in 1976 the national debt was \$240 million and in 1980, in four years' time it is at \$800 million odd".

Sir, if I give the figures on the national debt taken from the Central Bank of Barbados, economic and financial assistance for January, 1981, it will probably put both statements in perspective. In 1976 the national debt was \$258.8 million made up of a total of \$208.6 million local debt and \$50.2 million foreign debt. In 1980 the local component of the local debt had risen to \$295 million and the foreign component to \$163.9 million giving a total of \$459 million. \$459 million I believe is a little far from \$800 million odd, and it seems that if Senator Boxill thinks that it is \$800 million odd now, he can reasonably think that he put in more pipes when he was Minister than anybody else. It is a matter of thinking what you like. At the time when it was \$258.8 million the total current revenue was \$198 million and international reserves were \$72 million; savings deposits with the banks by private persons were \$142 million, and currency in the public money supply was \$46 million. By 1980 revenue had risen to \$395 million, and that looks suspiciously like double from \$198 million to \$395 million; the international reserves had risen from \$72 million to \$173 million, a little more like $2\frac{1}{2}$ times, and money supply of \$90 million from \$46 million, savings deposits from \$142 million to \$310 million. What I am saying, Sir, is that against these indicators the rise in the national debt from \$258.8 million to \$459 million, and if I had the GDP I would be prepared to give them now too so that we would see exactly what the relationships are, it would seem to me that there is nothing inordinate that the public debt is less than double and the revenues reserves and the deposit have rather more than doubled.

I believe, Sir, that Senator Boxill should now be in a position to address his mind to the other point, when he says that every time he picks up the papers the government is borrowing \$10 million, \$20 million, \$30 million or whatever. The fact of the matter is that nobody is going to lend you money if they do not have confidence in the economy. At the point when these international lenders consider that we are not able to pay our way, the fist is not going to be open, it is going to be closed very very tightly, so that what Senator Boxill is in fact criticising is one of the healthiest possible signs both for us and for future generations.

One of the things involved in the public debt is that if you borrow money and put into productive enterprise, then that itself generates the money that you use to repay the loan, so I do not think we must go around as an eminent trade union leader likes to say with mauby pockets and assume that everybody else is operating on a mauby pocket, and that what is quite a reasonable thing represents champagne taste. I think we ought to recognise that the whole function of going into debt in order to invest is to make the productive capacity greater, so you produce more wealth which in turn pays for the debt into which you have already entered. I do not think that there

is one thing that Senator Boxill could have said that could be a stronger endorsement of the Government of today than that every time you pick up the papers somebody is lending you \$10 million, \$20 million or something. That is the climate that we have to hope will continue for a long time, that there will be such great confidence in this economy that we will not have any trouble raising monies when you go on the loan markets to borrow money. Every Government has to. I cannot promise Senator Boxill that I am going to be able to make a tour of the back alleys of Bridgetown, but I will tell the Minister. I do not think I am going to risk to tour the back alleys.

I believe, Sir, that all of the points which have been raised I have sought to deal with. Just let me stress, because I think it is important that I have very strong views on this business about interference, and I also want to say, Sir, that unless a politician believes that he will forever be on the outside and will therefore never have a chance to run a department or ministry or however you want to define it, he will be well advised to stop encouraging what is downright foolish, irresponsible attitudes, because if he believes he will ever have a chance to be on the inside with responsibility for organising and doing anything, then he is going to have to understand that he will be assisting in the building of attitudes which will one day be there to plague him himself. I believe that we have to recognise that in the same way that we are going to hold people responsible for the administration of areas constitutionally under them, we have to recognise a corresponding duty — short of those matters for which the Public Service Commission has constitutionally the responsibility, a corresponding duty on the part of those persons to ensure that those departments work. I can tell you very straight, I know of a particular situation where people are enjoying a salary level which relates to people entering the service with Degrees and all they need to enter into that salary level are three "O" Levels and when they cannot do the work and you say those people ought to be trained and you have to raise the level of your intake, they tell you it is political. Of course it is political.

It is a political decision what quality persons you want. It is a political decision what quality service you want. The standards have to be set by the politicians because those are the people who have to stand or fall by them. Nobody but a politician can determine what establishment he shall have. Somebody else can select them for you and somebody else can discipline them for you but it is a matter of policy to determine whether your Ministry needs to be staffed by 20 people or what kind of people, whether you need all people with Degrees, whether you need no people with Degrees or what you

need and what functions there are for them to perform and if you are not satisfied with the performance of the function then when you open your mouth you are quite justified in opening your mouth. It is time we stop this foolishness and stop encouraging people in downright irresponsibility.

The question that the Bill be read a second time was put to the Senate and agreed to.

On motion of SENATOR THE HON. N. A. BARROW, the Senate resolved itself into Committee to study the Bill, SENATOR Sir MENCEA COX, in the Chair.

Clauses 1 and 2 were called and passed.

On motion of SENATOR THE HON. N. A. BARROW, Mr. CHAIRMAN reported the passing of the Bill in Committee and Mr. DEPUTY PRESIDENT resumed the Chair and reported accordingly.

SENATOR THE HON. N. A. BARROW: I beg to report the Bill as having passed before the Committee without amendment, and I move that the Bill be read a third time forthwith.

The question was put to the Senate and agreed to.

SENATOR THE HON. N. A. BARROW: I beg to move that the Bill do now pass.

The question was put to the Senate and agreed to.

SUSPENSION

Mr. DEPUTY PRESIDENT: It is a good point at which to suspend the Sitting for 20 minutes.

On Resumption ---

Mr. PRESIDENT: The Sitting is resumed. My absence this afternoon was due to the fact that I was seeing our Chinese Delegation friends off. They all seemed to have had an enjoyable stay in Barbados. *(Cheers)*.

MORTGAGE INSURANCE (AMENDMENT) ACT, 1981

The Fourth Order of the Day was called — To move the Second Reading of a Bill to amend the Mortgage Insurance Act, Cap. 233.

SENATOR THE HON. N. A. BARROW: Mr. President, this Legislation is a significant piece of social legislation which when taken with a number of the other measures which have been enacted during this

administration, and I refer, for example, to the Tenancies Legislation which we passed only recently, ought to result in greater security for the humble folk within our community who are unable to afford more elaborate, more enduring and more expensive structures within which to house themselves.

There is no doubt, Sir, that in this community we can see a number of the signs of social advancement as a house is changed from wood to wood and wall and then ultimately to wall and indeed until the protection and indeed the advancement given the Plantation tenants within the Plantation Tenancies themselves where a very large sector of this population is housed, within those tenancies we were unable to see this kind of progression and it is therefore not surprising that on the information available at the time of the Budget Debate of 1980, it was found that some 70% of the housing stock of this country was the wooden house, usually referred to as the chattel house, because although not all wooden houses are chattel houses, the bulk, almost every wooden house in this country is really a chattel house.

The concept of the chattel, Sir, as you know is that in Law a chattel is moveable property as opposed to real property, land, that is fixed and which includes things affixed to it and in the West Indian Jurisprudence because of our own peculiar circumstances, the law as it relates to fixtures which makes part of the land anything that is affixed to the land, that is for greater enjoyment of the land, the Judges have made a distinction which reflects a commonsense view of why people live in wooden houses.

In many instances the reason is simple that they do not own the land, they rent the land. If they put a stone building on it then as the Law of Fixtures operate that becomes part of the land. When they leave the land they must leave it behind and therefore the Courts took the view that wooden houses which have been put there have been put there not for the better enjoyment of the land but for the enjoyment of the tenant himself and therefore is a chattel and not a fixture.

This same reason, Sir, tends to explain why long term financing by way of mortgages has not been readily available to the owner of the chattel house and why insurance has been very difficult for the owners of the chattel house to come by. Indeed, Sir, I remember as a little boy hearing the term that so-and-so has just sold his house to the insurance company. Today the house was just an ordinary house and then all of a sudden in a new day you see the insurance company badge on the house, and there were some people who used to get a little scare when they saw that, because they figured that the house was being sold to the insurance company, i.e., that house was soon to be burnt down, so we have a great deal of the anthropological thing in this one, but as long as 70%

of your housing stock is wood, the Government cannot continue to have policies operate which do not take into account that the owner of the wooden house needs the same security, the same accommodation by way of long term financing, and the same protection by way of insurance, and perhaps in terms of the latter he needs greater protection by way of insurance than does the owner of the stone building.

The decision was therefore taken by Government that something would have to be done for the chattel house to become a good mortgage risk, otherwise insurance companies would not wish to insure it, and also, since it is usual to insure mortgages, that some fund would have to be established in order to make the insurance of every chattel house, every normally insurable property, a reasonable possibility. This, Sir, is what was behind the statement made by the Prime Minister and Minister of Finance when he said in the course of the Budget Speech 1980:

"Chattel houses represent approximately 70% of the Housing Stock in Barbados and there is a continuing demand for this type of housing particularly among lower income groups. Financial institutions, however, will not make mortgage funds available either for the repair or the purchase of such houses, because of the inherently higher risks involved when compared to stone houses. In order, therefore, that the housing needs of all sectors of the community can be met, I propose to introduce a scheme whereby the Government will guarantee the full repayment of principal and interest with respect to any loan made by way of a mortgage to owners of chattel houses. For this purpose a fund will be established under the Mortgage Insurance Act to be administered by the Insurance Corporation of Barbados and appropriate payments will be made into that fund to sustain guarantee of loans up to a total limit of \$10,000,000.

Under the proposed arrangements the owners of the chattel houses will be required to insure their houses against all perils. It may be necessary too to impose some minimum building specifications to provide more secure structures than at present."

That last sentence, Sir, was indeed prophetic, because later in the year when Hurricane Allen hit Barbados, one of the points being made by officials of the Housing Corporation was the extent to which persons could be advised as to the kind of house that could be built so as to have the best chance of withstanding hurricanes, and there was a whole lot of discussion, I recall, as to the angle of the roof, what the angle should be, what is the best kind of roof to use, and so on, and of course whether the structure should be on to a concrete base and this kind of thing.

Indeed, as one saw much of the hurricane damage at the time of Allen, it was clear that the pitch of the roof has a lot to do with it, because a lot of flat roofs were just blow off, and in many instances not even destroyed, not even broken up, they were just there standing next to something or flat on the ground with a couple sheets of galvanise perhaps missing, and all people had to do was to pick them up and clamp them back on. That also induced an interesting discussion, because the discussion on that point went something like this. If the roof had been properly clamped down, then it would perhaps not have lifted off in response to the hurricane winds. But of course the other side of it is that since the roof was not clamped down, the roof just went, you were inconvenienced, but you did not substantially lose, whereas had it been clamped down it might have done a great deal of damage to the house while the winds pounded it and perhaps still succeeded in tearing it away. So it is not an easy point, but the argument relating to the pitch of the roof rather than the use of flat roofs seems to me, Sir, to be a point of substance, because we observed that up and down the country where there were hip roofs that there was little or no damage done. There might have been a couple shingles blow off, but generally speaking those roofs withstood the power of the hurricane force winds, so there are some pointers on which people may build, and it is in the interest not only of the owner of a house but of the community at large that the quality of the housing stock be improved. By quality of the housing stock I am not just referring to the method of construction, but also to the point which arose a little earlier, where there should be running water in people's home and so on.

Hence, Sir, one finds that after the hurricane when Cabinet decided on 20 year loans where houses had to be completely replaced, the Cabinet also concluded that the Insurance Corporation of Barbados should be asked to expedite arrangements for the insurance of chattel houses. The whole business of the security of a man's or woman's house and what input may be made in order to improve his lot, occupied a great deal of time and attention. Consequently, Sir, you will find that in this legislation where the responsibility for administering the Mortgage Insurance Act, Cap. 233, is transferred from the National Housing Corporation to the Insurance Corporation of Barbados, the purposes for which a loan may be made are extended so that extension of an existing property and the taking over of an existing mortgage are provided for.

They must consider a reduction in the amount charged as a mortgagor's insurance fee. It used to be at 2½% and I think it is now reduced to 1½%. The thinking was to reduce it to 1% but the Insurance Corporation argued that its expenses could not be adequately covered under 1½%. The regulations are to be amended to permit the whole of a spouse's income to be taken into account

for the purpose of determining the gross debt service ratio and to recognise common law associations.

There are other things also which the regulations will provide and they will, for example, include valuation and inspection fees among the charges which the approved lender may charge the borrower, and it will also permit insurance of advances made to a borrower during the course of construction. It is, Sir, the establishment of a scheme whereby Government would guarantee the repayment of principal and interest in respect of any loan made by the way of mortgage to owners of chattel houses that is really at the centre of the real social advance being made here.

I believe, Sir, that there can be further discussion in relation to the details, but the general principle of this legislation is not one that I believe any member of the Senate will find easy to object to. I believe that if we just stop and think of the traditional methods of living in the society, if we think, for example, Sir, of the work of the National Trust, it has long been my contention that a number of buildings of historic interest and architectural value will be found among the wooden housing stock, and yet in the nature of things with the cost of maintaining wood and buildings and with the inability to get funds on reasonable terms for repair and extension in the same way that one can do for stone buildings, a great number of wooden houses in this country, rather more so than is the case with stone houses, have fallen into a very sad state of disrepair. Indeed, Sir, it is another side of it because what the National Trust is about is the protection to some extent of the heritage of the country. Its work is very closely allied to that of a museum, and in the same way that the museum over the years was not able to develop long, clear, national lines so that you would have a great deal of excellent stuff in the museum but at the same time you would have nothing to depict the agricultural life of an agricultural community, nothing to represent the sugar industry which has been at the core of the sociology, of the anthropology, of the economy, of the politics, of everything in this society — I nearly said *fons et origo* — in that same way, if we look at the housing stock we will recognise that the National Trust has identified a number of buildings, but generally speaking they are substantial stone buildings. I do not know that I can stand here and state categorically that we would hardly find a wooden building of modest dimensions among the buildings which the Trust has selected, but I can say that I doubt that you will. So I believe that if we look at this legislation carefully we will see that among the possibilities we are now also providing for the protection of that aspect of our heritage so that people who look at what the Trust is doing will not get the impression that housing in Barbados is all about Villa Nova or Heron Bay or even Rosemont which some

people say is a house of little or no character, but even Rosemont.

Mr. President, when one talks about housing and the way of life of people, I believe that we could not do greater violence to the people of this country than to fail to recognise the traditional way in which they live, and to recognise that to have a number of people look at the changeover from wood to wall and wood and ultimately to wall is social advance, but there are people who like the wooden houses they live in. In a debate like this, one does not like to be personal, but I believe I can look down the table and I can see one person that I believe falls into that category, and he, Sir, whom I might be referring to may be able to make provision, but there are a lot of people who like the wooden house they live in and who might not be able to make the necessary provision, and I think we must recognise that to make insurance available and to make funds available on reasonable terms is at once an ease to the burden of the poorer persons in the community and at the same time a recognition of the way in which people live in this society and the need to preserve it.

Mr. President, I beg to move that this Bill be now read a second time.

SENATOR K. R. HEWITT: Sir, before I make my few comments on the Bill before us, I should like to make two observations. One has to do with the fact that these Laws of Barbados here in the Senate are not updated.

This is the second or third time, Sir, that I have come here depending on an up-dated version of the Laws of Barbados to make a comment and the second or third time that I am left out in the cold. These Laws are up-dated as far as I know every year. You get your amendments as a loose leaf system and it does not take more than two hours to up-date. I do not think it is too much, Sir, to expect that when you come to Parliament or to the Senate that you should have up-dated copies of the Act before us.

Mr. PRESIDENT: There must always be a Clerk at the Table. What is the position about the up-dated Bills? Have copies of recent editions and amendments to Bills not been circulated to members?

SENATOR K. HEWITT: No, Sir, not to members. I am talking about the ones that are here on the Table. They are not up-dated.

Mr. PRESIDENT: That is unfortunate because of course if copies are given to members and members know what Legislation is going to be appearing before them then a member perhaps may avail himself by look-

ing at them. I am not saying that one can carry a bundle of documents like that but in future try and make sure that everything is available before and always have a Clerk sitting here. I am not prepared to be sitting here and looking down at an empty space down there. We have a lot of Clerks. A Clerk is always supposed to be available to know what is going on and support the President in whatever request he may make.

Yes, Senator Hewitt.

SENATOR K. HEWITT: Sir, the Bill before us is one which has to be commended. As Senator Barrow indicated, it is a step in the right direction as far as protection being offered to a certain section of the community which section definitely needs that type of protection.

I see it broadly, Sir, as offering two kinds of benefits to the level of persons or to the strata of persons who would be affected. One is that the Bill would make it easier for owners of wood houses or chattel houses to obtain mortgages and therefore to that extent it would assist them in building, repairing and so on and secondly the condition of obtaining that insurance and Mortgage because a condition of that Act is in fact that the house be insured. Then the Act in itself also helps to ensure that chattels to a larger extent are in fact insured.

Now it may sound a bit confusing but perhaps we should at the outset make it pretty clear that the Act before us is dealing with the insurance of mortgages, *per se* or directly as distinct from the Insurance of a house against peril but one aspect of gaining that insurance for Mortgage is the stipulation that the house or property be insured against peril so what I am saying is that the Act has a two-fold benefit here. It makes it easier to obtain the mortgage because of a particular stipulation. It almost makes it mandatory for the owner of the house to have his property adequately protected against peril and so on.

Up to now the Mortgage Insurance has had to do with stone houses and I speak subject to correction but I doubt very much if during the life of this Act, whether or not there has been a single claim, in fact, on the fund because as I understand it a claim on that fund only materialises if when there is a default of payments of the mortgage there is a short-fall from the sale of the property and because we are in a rising price situation, the chances of that happening are very remote.

In other words, if you build a house 10 years ago for \$30,000 and five years down the line you are unable to meet your Mortgage payments and the lender had to sell that house, the chances are, in fact, that the house would be worth more than the \$30,000 and hence there would be no claim on the fund to make up the short-fall.

To the best of my knowledge there has never been a single claim up-to-date on this fund.

Right now we are moving into a slightly different ball game, if I may use that terminology. We move from the wall houses and now we go to the chattels. Obviously, the risk here is higher. Nevertheless, it is a worthwhile thing to do in spite of that higher risk.

One little point I am not too clear on and perhaps the Minister could enlighten me. It has to do with one of the stipulations of obtaining a Mortgage or being eligible for mortgage insurance and that is as it says here in Section 4(1)(b) of the Act that the particular property is to be secured by a first mortgage, etc.

Now since some of the chattels are on rented property my query is whether or not the whole scheme is meant to be extended to all chattels whether or not they are on land owned by the individual or land rented by the individual and if it is to be extended to those on rented land what happens when that property has to be moved and so on. I am not too sure what will happen in that case.

In other words you have a loan for \$20,000 initially and now the house is taken down to be moved to another spot. I am not too sure in my mind as to what pertains in that situation. I do not want it to be constructed that these types of questions are an indication of any opposition to this measure. That is obviously not the case. It is just a question of one or two details that are not too clear to me and I am just seeking clarification to remove any doubt on the service. I obviously intend to support the measure 100%.

One point the Minister made about the guarantee by Government. I do not see the particular section which in fact indicates that guarantee in the parent Bill so to speak before us and I was wondering if perhaps that guarantee might somehow be included through the Insurance Corporation itself and this is really why I wanted an up-dated Act to check it out before I got up but perhaps if not today, at some future date we can be directed precisely to see whether or not there is a guarantee by Government.

There is a fund but I have not been able to pick it up in the Act Cap. 233 if that fund in fact was depleted if there was a guarantee. I am not sure on that point but perhaps the Minister will enlighten me on that.

Sir, there are one or two things which stem from these amendments which somehow do not seem to hang together in my mind. If you look at section 9 — first of all, I was not sure as to whether or not in the context of this amendment where the definition of Corporation in the Act is now the Insurance Corporation, whether

in spite of that there was some need for a clause which dealt with the hand over of the existing fund. Right now there is a fund, and I was not sure whether it was necessary for it to be indicated in the amendments that the existing fund will of necessity be handed over to the Insurance Corporation. I am not sure if that is necessary. I am throwing out these points for clarification.

Now, Section 9(1) says "the Corporation shall establish a fund to be known as the Mortgage Insurance Fund, into which shall be paid four-fifths of all insurance fees received." This was all right until, in my opinion, this amendment, because the amendments now with section 9A make provision for a chattel building mortgage fund, and in 9A it makes provision that the fees for the chattel mortgage fund should all go into the Chattel Mortgage Fund, but still we have the 9(1) saying that the Corporation shall establish a Mortgage Insurance Fund into which shall be paid four-fifths of all insurance fees received. I really believe it should be all insurance fees except those coming in by way of section 9A(1).

These things may be obvious from a reasoning point of view, but when you have to get the Act and somebody has to interpret the Act on a day to day basis, I think it is pretty necessary that these little things be spelt out or the apparent contradictions be removed. I am submitting, Sir, that 9(1) should probably read: "..... into which shall be paid four-fifths of all insurance fees other than those accruing to the Corporation under 9A(1)."

Now, the new section 9A(1) deals with the setting up, as I said, of the Chattel Building Mortgage Fund, but it does not then go on to indicate as the old section 9 — (i) what in fact comprise the assets of that fund, and (ii) to what extent the funds coming into the new Chattel Mortgage Fund may be used for investments and so on, it is somewhat silent on that aspect. You see, the present 9(2) says the Corporation may invest any part of the Mortgage Insurance Fund, which Fund is different from the Chattel Building Mortgage Fund, so I am saying that perhaps 9A should have gone on to directly indicate that the funds could be used for investments, No. 1, and secondly, could have gone on to say what in fact would comprise these assets of that fund. Right now it just says "shall be paid into that fund money voted by Parliament and four-fifths of the insurance fees." It does not say anything about what can be done with the funds and how the earnings of the funds are to be treated.

In the amendment to section 6, it says, "The principal Act is amended by inserting after the words "Mortgage Insurance Fund" wherever these words appear in sections 7, 8 and 9(5) and 10 the following words:" I think that also seems a little troublesome for me too, because the words "Mortgage Insurance Fund" appear in other subsections of 9, but apparently the change is not to be extended to those sections.

I do not know if I am too clear on these things, Mr. President, or if I am making myself clear to the Minister, but there seems to me to be somewhat a looseness in putting together the amendments along with the existing legislation.

If you look at 12(2) (a) also, 12(2) (a) says: "Where the amount received by the Corporation is not sufficient to defer the expenses, etc. then the Corporation may, by withdrawals from the Mortgage Insurance Fund, not exceeding 50% of the return on the investments....." As it states here now, that would come from the Mortgage Insurance Fund as distinct from the new fund set up under section 9A. My question is if this was intentional or if this was an oversight. In other words, should not the funds to make up the shortfall be increased by the 50% by the return of investments on both funds, not only the Mortgage Insurance Fund? Because there is a distinction now between Mortgage Insurance Fund and, in my opinion, Chattel Building Mortgage Fund.

As I said at the outset, Sir, the Bill in general obviously is one, the general purpose of which no fault can be found. The general principles are such that no one would oppose, in fact we all would support it heartily. We support the fact that the mortgages would be made more accessible to the owners of chattels, and we also support the fact that in making those mortgages accessible it more or less forces the owners of chattels to have adequate insurance.

Having said that, and noting the fact that the Insurance Corporation of Barbados will be charged with managing the fund itself, and also as a Government Corporation would be expected to bear the brunt of the increased risk of insuring the chattels against perils, against hurricane, fire and so forth, noting that, we obviously would expect that in increasing the risks in this area of chattel insurance, that they obviously would have to watch it pretty carefully, and in fact have the necessary re-insurance arrangements so that in case of a catastrophe, a hurricane for argument's sake, the burden would not fall too heavily on the new Corporation but would in fact extend to the co-insurers.

SENATOR THE HON. N. A. BARROW: On a point of elucidation, Sir, since I shall have to reply, I am asking whether we could get Senator Hewitt to clarify the point he is making about section 12(2) (a) because the point seems to be covered in section 9 of the Bill before us "by withdrawals from the Mortgage Insurance Fund or the Chattel Building Mortgage Fund, as the case may be", and I am therefore not following carefully the point he is making. I am obviously misunderstanding and if he would make the point for me it would make it easier for me to respond if I can.

SENATOR K. R. HEWITT: What I am saying is that I do not see where it says "or the Chattel Building Mortgage Insurance Fund". (SENATOR THE HON. N. A. BARROW: Section 9 of the Bill amends Section 12). Fair enough. I take it that settles that point on Section 12(a) and hopefully the other point would be clarified as swiftly as that one because as I said, there seems to me to be a looseness, and it may be that the fault is at my end. If it is so, so be it. I am just seeking clarification to try to make sure that I understand certain parts of the Act and to help ensure that to the extent that there are oversights, those oversights are brought to the correct people to be corrected.

SENATOR G. ROCHEFORD: Mr. President, I did want to comment on one thing that Senator Hewitt has commented on, the question of the value of chattel houses and the length of time for these mortgages. I see it is for a term of not more than 30 years and this does indicate that the projected life of a chattel dwelling house would be anywhere up to 30 years. We do have in Barbados a lot of chattel dwelling houses which have perhaps existed long before that, but with the materials that are being used nowadays I am not so sure that chattel buildings are going to last for anything like 30 years without major repairs from time to time, and the point that Senator Hewitt had made earlier about moving from where houses are situated on rented land, each time these houses are moved, then the value tends to deteriorate and a lot of expense has to be incurred.

Now I have for a long time been concerned about the level of the standards of some of the housing in Barbados. I remember having served on a Committee some years ago and indicated that I saw where our big concern in two of our housing developments was the construction of a lot of new houses, whereas we have a lot of people in Barbados who own homes and these homes are in need of upgrading and repairs, and many of them are not in a position adequately to do these things, and I think we have to do a proper survey of a lot of housing in this country because I think a lot of people could do with assistance in modernising and upgrading the standard of the housing which exists.

Now just before the last hurricane season when we went around examining the areas which might be affected as members of the Central Emergency Relief Organisation, it came as a surprise to many people to see that much of the housing needed a lot of attention, and if either one of those hurricanes had hit Barbados we would have been in perhaps a worse condition than Dominica.

On the other point that Senator Barrow made about the National Trust, I do not agree with him in toto that the National Trust is ignoring or unnoticing of the chattel buildings, because just recently the trust produced a documentary which showed many of the houses in

Barbados which fall into the category of chattel which are typically Barbadian and indicated that they were interested in seeing them preserved, and I know that there is an idea that one of a typical Barbadian chattel house should be taken over by the Trust while the owner lives in it and kept in good condition. One of the things that I have noticed myself is that we have been changing and going away from the traditional form of our old chattel dwellings. We see the countryside changing significantly as to the appearance of those chattel dwelling houses and soon they would not be typical anymore of what has been the old type of chattel dwelling house which we are accustomed to seeing.

On the point that Senator Hewitt was making, when he was questioning the point of the Chattel Mortgage Building Fund, I am sure if he had seen section 6 of the Bill which does say that in certain sections of the Principal Act the words "Chattel Mortgage Building Fund" should be added wherever necessary, and that might have explained some of this quandary.

SENATOR K. R. HEWITT: I think the operative words there were "in certain sections", and I was wondering why it should be section 9(5) and not the whole section, that is, not only restricted to section 9(5) for argument sake.

SENATOR G. ROCHEFORD: I understand, but I think the Minister has probably answered the question. However, like Senator Hewitt, I am happy that we are looking at the whole question of assisting owners of chattel dwelling houses to make sure that they can have their places made secure and upgraded.

SENATOR THE REV. A. HATCH: Mr. President, some of the comments of the Leader of the Business in the Senate and followed up by Senator Rocheford stimulate a contribution from me. Given that 70% of the housing stock is of the chattel house variety, it obviously is one of major concern to the island that this 70% should be kept in as tip top condition as possible because I think it is fair to adduce that similar to Senator Blackman's emphasis on social services being extended to the home rather than institutionalised people, it is not only more humane but cheaper, it would also be true to say that to enable people to remain in their own homes and specifically in the chattel house is first of all more humane and is in the end cheaper than putting them in Government housing schemes and one does not need to go into the fact that while one can build houses, one cannot build communities in the same short period of time and that therefore everything should be done that it is possible to do to enable people to stay where they are but to remain there with greater dignity.

In the light of this legislation, as the country will be undertaking considerably increased financial risks in the light of the Mortgages and the insurance of chattel houses that is being envisaged it would obviously be important and I think the Minister used this word that certain standards are set out and insisted upon of chattel house owners and Senator Rocheford mentioned the fact about some of the lumber in the last 30 years.

I heard a Canadian lumber man down here who had visited the Lumber Yard a couple of years ago who said that what they had was the trash that could not be sold in Canada. It is probably therefore that one standard could be to insist on hard woods from the Caribbean region instead of the trash from the North Atlantic and this would be a reasonable standard to insist upon.

There was a Dr. Kenneth Eaton here at the British Development Division for more than a year who worked in St. Vincent primarily and also in Dominica on standards for hurricane resistant chattel houses and this was prior to both Hurricane David and Hurricane Allen but Dr. Eaton returned from the Building Research Institute on which staff he functioned permanently, again through the British Development Division, to look back at the standards which had been suggested after Hurricane David and as to whether the standards which are now being insisted upon for houses constructed in St. Vincent and Dominica by the British Development Division Funding, whether these had withstood Hurricane Allen and had a better performance than houses that did not meet the standards.

As Senator Barrow said and I think he has been familiar with Dr. Eaton's work because he did refer to the pitch of the roof and he alluded to the point that strikes me strongly which is the need to fasten things down, to fasten the foundation which Senator Barrow referred to but also to fasten on the roof rather than driving just a few nails from the rafters into the rim beam.

The point I am making is that standards are possible and that it would be now necessary in the light of the increased financial risk being envisaged that standards be insisted upon.

With this in mind and with the current spate of fires in wooden houses in Barbados, there was a very interesting, as one would expect, article from the former Senator, John Connell in one of the daily Newspaper within the last couple of weeks in which Senator Connell referred to the days of what Bajans would call the Sanitary Inspectors. Now that we know better we call them Sanitation Inspectors, rather than going around with the Ladles and Cork Bombers and insisting on certain aspects of sanitation and the innovative contribution was that we could insist on certain standards in buildings.

Now I think it is also true to say that Government has recognised and undertaken the responsibility to help people with their latrines and I think a complete base to cover pits and the seats. It is subsidised by the country and the former Senator Connell adduced the possibility that with the problems of fires of sometimes more than one family cooking in one building, that certain safety precautions need to be insisted upon.

Now if Dr. Eaton's work can ensure precautions against hurricanes then precautions against fires can also be developed and insisted upon and if necessary subsidised to enable unfortunate families to take reasonable precautions and to maintain certain standards and as I said this would not only be more humane, but it would in fact be cheaper to the country than the Insurance Corporation and the Mortgage Finance arrangements being projected and developed and those two funds standing the damages which will continue to recur unless better precautions are taken against fire in our chattel houses.

So the four points I am making that came out of the debate so far are that the situation of 70% housing and the increased risk now being envisaged by this Legislation necessitates improvement in standards, that improvements in standards are possible and achievable and should be insisted upon by inspection, and, that the country also should examine the possibility of enabling people and subsidising them to reach these standards.

SENATOR W. FRANKLIN: Mr. President, now I too would like to add that this Legislation is quite a good one and unlike just now in your absence where the Umpire called play to a halt because of bad light and allowed the pacer to come on when the light was even worse but I would not get myself into this bad light situation.

There are only one or two observations I would like to draw about the Mortgage situation. The first I would draw to your attention is that the Bill makes provision for the loan not exceeding 30 years but in the present situation even with wolmanized timber they are people who treat it and they do not give you a guarantee beyond 15 years for this timber that is presently sold on the market and this is the best guarantee you can get for any existing timber outside of hard wood so the situation as suggested by Senator Hatch cannot be seriously looked at since you cannot get any guarantee beyond 15 years even for the wolmanized stuff.

The second point I would like to mention more generally is on the topic of the Mortgage as to whether the time has not reached for the Barbados Mortgage Corporation to have a look at the graduating Mortgage Scheme. This Scheme is one whereby Mortgage Payments start lower in the younger ages of a couple in their

earning capacity and gradually gets bigger as their wages increase.

The beauty of that, is, Sir, that it allows people to qualify much younger on smaller salaries for big mortgages than they would normally do and it is an accepted mortgage procedure that is implemented in other parts of the World and perhaps the time is ripe when our Mortgage Company can have a look at the procedure and see if it is not applicable here.

One other point on the general idea of Mortgages is that it still bothers me the length of time Mortgages are still taking in Barbados from the legal point of view and the cost of instituting these mortgages since in certain cases as many as four Attorneys-at-Law can well be involved in a mortgage transaction and it brings me to the point where I would like to inquire from the Minister what progress is being made with the introduction of the Land Registration Department. A Department which we have great faith in would not only speed up the Legal procedures in these matters but hopefully would cheapen them.

The whole mortgage market in Barbados at the moment is a little in the air due to the fact that although mortgages are available, with the exception of the Barbados Mortgage Finance Corporation, these Institutions do not disburse mortgages at intervals but only on completion of the project where the mortgage is disbursed.

With the present economic policy by the Government where there is a temporary credit squeeze — God knows when it will be raised — loans to individuals are considerably restricted, and even though people have offers of mortgages available, the bridging finance market is so inhibited at the moment that most people cannot make use of these mortgages, and since I am certain that Government has been encouraging, and would like to continue encouraging, the increased construction of personal residential homes, I wonder if it is not appropriate that the Minister should suggest that the Ministry, and most likely the Central Bank, should have a look at the possibility where mortgages have already been offered to people, the possibility of making a special provision in the bridging finance clause where it would not come under individual loans by the commercial banks. This is a real big problem at the moment, the commercial banks because of the Government's present economic policy have a ceiling on their loans to individuals, and lots of people have offers of mortgages from other leading institutions beside the Barbados Mortgage Finance Company, but they cannot proceed to construct the units when the mortgages are made because the bridging finance is not available to them, and since it is my opinion that it is not the intention of this Government or any other Government to prohibit the development of residential houses, I think

they could well consider having a look at this and suggest to the Central Bank that exceptions be made under those conditions and personal loans be allowed against mortgages that have already been offered.

On the whole idea of mortgages for chattel, I think it is a very enlightened piece of legislation, but my only concern here is that the cost of chattel is getting increasingly expensive, and most of you who have been following the building industry would know that at present a respectable chattel, 30 x 20, could cost anyway in the vicinity of 20 to 24 thousand dollars. This is still a lot of money for a property where there is no guarantee of a life span beyond 15 years where it is properly maintained, and I wonder if the time is not ripe that the housing planners of this country should not begin to have a look at what is commonly known as shell houses, this is where by either some institution or some arrangement is made where either precast external walls with toilet facilities are provided and then the owners are allowed to partition these units, since it is my considered opinion that the cost of this type of structure if properly carried out and done by a kind of large enough scale, would certainly not be that far in excess of the cost of the wood, with the tremendous advantages to be gained by it that it could not be seriously considered at this time, because wood is approaching something like 25 to 30 dollars per square foot per area for construction.

I too would like to say that this bit of legislation would go a long way into improving the housing stock in Barbados, and for a long time it was too difficult for people to acquire financing on any long term basis for wooden houses, and this would certainly ease the situation, and I would like to join the Democratic Labour Party into certainly encouraging and I would definitely vote for this legislation. Thank you.

SENATOR J. D. S. MacKENZIE: Mr. President, I will not take very much more time on this Bill except to say that everyone would automatically support this Bill, but I would like to give emphasis to something that Senator Franklin said, and that is, he has a very valid and a very real point when he made the point that the Central Bank controls the commercial banks with regard to the overall levels that they make available as personal loans to people, and as a result of the freezing of these levels, and since the personal loan category involves what is known as bridging finance, where you construct the house by getting money from the bank and then getting a mortgage and paying off the bank, since they are a part of what is known as the personal loan category or portfolio within the commercial banks, it does make it extremely difficult to have any kind of bridging finance whatsoever, and his suggestion is a good one and it would stimulate people to building, and people to have their own homes, if they would remove from the personal loan category any money loaned to individuals for the

purposes of bridging finance to acquire a house. It is a very valid point.

With regard to this Bill, Sir, I would just like to make one more point, and that is, that this Bill covers the insurance of a mortgage, covers the lender of money to a person under mortgage, and one of the conditions is that the house should be insured against the perils of nature. But if a claim is to be made against the fund, it would have to arise, as I see it, from one of several reasons, (1), that the person who had the mortgage was unable to pay the mortgage any longer because of loss of job or some reason, or alternatively, if that person dies the family would be unable to carry out any further payments of the mortgage, and in these instances what normally may happen would be that the house would be sold.

I would just like to make the enquiry, if a person has a home and has a mortgage on it and they should die and therefore cannot fulfil the repayment of the mortgage, is some of the money, the 1½% of the value of the mortgage used by the Mortgage Company for the purposes of ensuring the loan that has been made in the event of death of the particular person of the house? Otherwise, it would cause a hardship on the family if that were not so. Now, I do not know if that is covered or not. I know the situation where people buy homes in the husband's and wife's names, and when it goes through commercial banks with regard to the loans, and these are relatively short term, I know that such insurance is covered, so that in the event of the death of either one of the people who owe the bank that money, that the bank has in its charges included a sum which insures the life of the individual, so that if one of the partners or co-owners of the house should die, there is no further liability on the remaining partner to have to pay anything further for the house, because it is covered by the insurance.

This would be one way that you could avoid a direct claim on the fund, and also you could avoid any possibility of creating hardship to the survivors of a person who had had a mortgage for the purposes of buying a home and who had died. I would just like to know if that sort of consideration would be given by the administration of this particular Mortgage Insurance Act.

SENATOR THE HON. N. A. BARROW: Mr. President, let me start with the last point rather than the earlier, because the point raised by Senator Franklin and elaborated on a little by Senator MacKenzie has to do with the Central Bank limits. I do not think you will find a stronger advocate of the point of view that bridging finance should be treated differently from personal loans than I am, except that much as I dislike the squeeze on bridging finance, I understand it.

In the first place it has come at a time when the building boom is quite out of hand with consequential

effect on imports. A great amount of money is spent on imports when you build a house. I think we tend to look at the fact that concrete blocks are made here without thinking of the cost of cement. A lot of the components are local and when you go past the very raw basic structure in which there is all that cement already, we then come to the area of fittings in which everything is imported, and although it is distasteful for somebody like me, I understand therefore why a country which has to watch its foreign exchange has to put the brakes sometimes on construction.

I will tell you more, Sir. We must not forget that the Labour Party has been a party that has always regarded the construction industry as being central to economic activity in this country and has always therefore been very active in fostering construction at all levels; so it cannot be a matter of joy to anybody within the party of which I have the honour to be a member that there should be restrictions in any way to curb construction, so that if the Central Bank's restrictions have to be lived with, there is no fun really in living with them. The other point about these restrictions, Sir, is that we spent a long time this afternoon talking about standards and quality of housing, but we have not really worried to project our minds a little beyond into the fact that where there has been a kind of building boom that has taken place in this country, there has been a consequential shortage of skilled labour, and whether you like it or not, a lot of work that is going into houses at present will in some cases be shoddy. We can go and hope hard that this is not so and we can hope that the shoddiness will take place in areas where it can be corrected without too much cost, but also when you detect that shoddiness it also has cost in correcting it. So we have to be very careful about this. We have to try and reach a mean where enough funds are released for sustaining the construction industry but not to a point where the storm carpenter becomes the norm. We have to be very careful.

I think most of us who have anything at all to do with building whether directly or indirectly know how difficult it is to get a workman at all right now far less to get a good workman, which is very very difficult. So we have to be very careful; we have to watch it. The situation which I witnessed in Trinidad about a year ago was one where a mason or carpenter would turn up at 9 o'clock in the morning and was gone by 1 o'clock or at the very latest 2 o'clock, and if you did not stay there and do some mixing yourself, you were not sure if you were going to see where your \$100 for that day went. So we have to be a little careful that we do not push the thing a little too far out of hand.

Sir, the other point adverted to by Senators Rocheford, Franklin and Hatch, as I have it here, relates to the 30 year mortgage, that provision in the legislation

which says that the monies borrowed on mortgage shall be 30 years. I think, Sir, we are forgetting that if we own a stone building and we have a mortgage over 20 years or 30 years, and we spend not one cent on it, that building will in fact deteriorate, and these are the circumstances in which you can lose money in real property instead of having a capital accretion. We are also losing sight of the fact that this legislation is also to make it easier for the owner of the chattel buildings to get money for repair and extension, repair being the operative term; so that if he has a mortgage for fifteen years or for 30 years as opposed to the present seven years which is the best he can do with a prohibitive rate of interest if he has a mortgage paying back \$20,000 now in seven years, probably close to \$500 a month, he can pay back the same \$20,000 over 30 years and spend less than \$200 a month. In addition the same 1980 budget made it possible for him to write off against his income tax cost of repairs up to a certain amount, and he can borrow money and keep back the building in the same way that somebody in a stone building can.

I believe, Sir, that when we look at the entire package we will understand that the mortgage for the extended period of up to 30 years is not an unreasonable provision, and that we have built in enough of the other machinery to make it quite feasible for a man to keep his wooden house and keep it going for a long time. That I believe is partly the way in which you have to deal with the suggestions about inferior quality of wood, although I must say that I go very strongly for the suggestion made by Senator Hatch about stimulating the use of Caribbean hard woods. I must say that that has always been a more attractive way to do it. The only problem is that there has always been a problem of supply with the people who are marketing Caribbean hard woods, particularly Guyanese woods, and while legislation like this would make it feasible, the shorter term credit did not make it feasible for people to use the hard woods which after all are also quite costly.

If I take one other point made by Senator Franklin relating to the business of mortgages and the time they take, those of us who sat on the Committee to do with the new Real Property Act were very confident that the simplification of the Land Law and the shortening of the period of search would have made it possible for mortgages and conveyances to be completed at a faster rate than previously. All I can say, Sir, is that I hope we are not just living in hope. The Jamaicans have a way of talking about living in hope and dying in Constance Spring.

If I should turn now, Sir, to some of the points raised by Senator Hewitt. The first point which Senator Hewitt made is a very easy one for me to agree with. Even if he did not use the words, it is a disgrace that in a

Chamber of Parliament the Laws of Barbados should not be updated.

For all that we have copies, when we come in here and we want to refer to anything if there is an area in our reading which we were not satisfied with, when we come here it is a disgrace that when we pick up a copy of the Laws that the copy of the Law before the very law-makers themselves is a copy that is not correct. I do not know who is supposed to be responsible for keeping them up, Sir, but whoever it is must be very busy indeed. I hope he can find a little time in between to do his work.

The eligibility for a mortgage to be insured, Section 4(1) (d) to which Senator Hewitt referred, I believe, Sir, that in making the point he probably overlooked the fact that what we are talking about here is the insurance of the chattel and if the chattel is mortgaged then the fact that it has to be taken down and moved to another spot should not, in my view, cause any peculiar problems.

I think we just simply have to recognise that there is a difference between the house which is part of the land. In this case the mortgage is really on the land because the house forms part of the land and the house which is there for the enjoyment of the tenant and which can be removed.

It may well be that the value which the insurer may put on the house may not reflect the full cost because in valuing it he may not have taken into consideration the fact that it is subjected to be removed. I do not know. I would not wish to get into any detail, Sir, but the fact is that it is the house in this case and not the land on which there is a mortgage. I hope that answers the point.

The question about the guarantee. I think we need to look and see how the new Section 9(a) is composed, Sir, because it is composed of funds voted by Parliament and it is also composed of the 1½% and that seems to me, Sir, to be the point that should it be necessary in order for this scheme to continue for funds to have to be put up by Parliament to guarantee the mortgage, then there will be funds voted out of the Treasury. I think, Sir, that is the form in which the guarantee exists.

It says: "There is established a Chattel Building Mortgage Fund for the purpose of guaranteeing loans made to a borrower by an approved lender for the purchasing, erecting or extending of a chattel building; and there shall be paid into that fund moneys voted for the purpose by Parliament; and four-fifths of all insurance fees received for the purpose of insuring those loans." Then we know the other part which the Senator spoke some length on.

The question as to whether the existing fund will be handed over to the Insurance Corporation. Without the benefit of a legal opinion on the matter it seems to me, Sir, that that fund exists in law only by authority of the Act, that it is the Act that is now being administered by the Insurance Corporation of Barbados and it follows, therefore, that that fund falls automatically to be administered by the Insurance Corporation.

In other words, the fund is vested in whomever the Act determines so it does not seem to me to be the need for any legislation relating to handing over. As of the moment that the administration of the Act becomes the responsibility of the Insurance Corporation, the funds are automatically handed over. That is how that seems to me, Sir.

Section 9(1) and 9A(1) in which Senator Hewitt saw some conflict in that he considered that there should have been a saving provision in relation to 9(1). 9(1) reads "The Corporation shall establish a fund to be known as the Mortgage Insurance Fund into which shall be paid four-fifths of all insurance fees received by the Corporation under this Act."

I believe, Sir, that it is a good satisfactory interpretation to say that the meaning is very clear when you come with 9A(1) and set up a special fund. The point, Sir, I am making is that this Clause establishes a fund and when that fund is established you cannot make provision then to a fund that has not yet been established. That is how it seems to me. I may be wrong but I am building this out on my feet but if I rely entirely on the canons of statutory interpretation, 9A(1) has to be read and is usually read by the Court in the only way in which it can make sense which is to say that this is a separate fund established for a separate purpose notwithstanding that the Corporation has as a legal duty to establish a general fund from its insurance fees.

In trying to explain it, I have probably confused it. Let me go back, Sir. What I am saying is that 9(1) is a Section establishing a fund. 9A(1) is a Section establishing a Chattel House Mortgage Fund. Unless there is specific provision in 9A(1) saying that certain monies are to be kept in a separate fund, under the provision of 9A(1) all monies of that sort, four-fifths of that will have to go into the general fund so that the only way in my view that you can establish a separate fund would be in a Section subsequent to 9(1) to make a provision which in layman's language says notwithstanding that four-fifths of all your fees are to go into a general fund and there shall be established a special fund created by four-fifths of the fees coming from this specific source.

The source is a special source and the fund is a special fund. That is how I read it, and I do not think that if you try to read these provisions as a layman would

understand them that you can go too wrong, because ultimately the courts have to use common sense in determining what the law means. I do not have any difficulty with it, I have been looking to see what the particular difficulty was and I cannot see it.

The question which was raised by Senator Hewitt, however, is another matter, which is what is to be done with the fund. Whereas the general fund may be invested in securities approved, whether specifically or generally, by the Minister, there is no provision where this fund is concerned, and I had not noticed the point before, otherwise I would have been able before coming here to ask if there is a special reason for this, but it does seem to me that Senator Hewitt's point is right, which I take to be that unless you can find a general power of investment, then this special fund does not seem as though one can for the moment invest it. I would suspect that there must be some general investment power, otherwise we would be into an area where by not giving the power of investment under the authority of the Minister, if the fund should become too large it would sit there and you will not be realising an income from it. If Senator Hewitt's interpretation is right, we may well have to face an amendment of that section in order to give a power to invest it. The point has slipped me and I am therefore not in a position, Sir, to tell you that I have been advised that that is not what it means or that that is what it means.

I believe, Sir, that those were the points raised. There was just one correction. I did not realise that Senator Rocheford had such ties with the National Trust or I might have been even more cagey about how I said what I said, but I am very happy to hear from Senator Rocheford how much emphasis is put on these houses by the Trust. I believe that when I was making the point you will have noticed that I was holding back from making any positive statement, and the reason is that I really do not know and I was speaking entirely in relation to an impression I had, and I am very glad to see that my impression was wrong. I repeat that it is this kind of legislation that will make it possible for such buildings truly to be preserved.

The question that the Bill be now read a second time was put to the Senate and agreed to.

On the motion of SENATOR THE HON. N. A. BARROW, the Senate resolved itself into a Committee on the Bill, SENATOR THE REV. A. HATCH in the Chair.

SENATOR Sir MENCEA COX: Sir, I beg to move that this Bill be taken as read.

The question was put to the Senate and agreed to.

Clauses 1 to 9 inclusive were called and passed.

On the motion of SENATOR THE HON. N. A. BARROW, the Senate was resumed and the Bill reported.

Mr. PRESIDENT resumed the Chair.

On the separate motions of SENATOR THE HON. N. A. BARROW, the Bill was read a third time forthwith and passed.

THE VITAL STATISTICS REGISTRATION VALIDATION ACT, 1981

SENATOR THE HON. N. A. BARROW: Mr. President, this Bill which has given rise to some substantial amount of debate in the Other Place on account of the issue of certain forms which I believe have not been found particularly useful universally is really nothing to do with those forms, but is being passed because the Formula Fees Regulations under the Vital Statistics Registration Act, the 1981 Regulations came into operation on the 28th January, 1981, but the Act itself was proclaimed with the effect from the 5th January and certificates, including the short birth certificate to which I just referred and which has now been replaced, and therefore is not a point of contention, it has since been replaced by a more detailed certificate, these certificates have been issued by the Registrar and new fees had been collected in respect of the period 5th January to the 27th January.

Clearly, Sir, we need to validate something here. The issue of these documents, the fees received must be legalised, consequently, Sir, we have before us this evening a Bill, section 2 of which reads: "All certificates and other documents issued under the Vital Statistics Act, 1980, and all payments received in respect of those certificates and documents shall be deemed to have been validly issued and received". It seems, Sir, as though this was done without there being any evidence of sort of negligent conduct which one would regard as something that should go unnoticed. It is one of those embarrassing things that can happen to you from time to time where the Act is proclaimed and evidently a sufficiently careful check was not made to ensure that the regulations themselves have also been in force before the activity started. So this legislation is now brought before us in order that these matters be regularised.

I beg to move that this Bill be now read a second time.

The question was put to the Senate and agreed to.

On motion of Senator the Hon. N. A. Barrow, the Senate resolved itself into Committee on the Bill, Senator the Reverend A. Hatch in the Chair.

On motion of Senator K. E. HINDS, the Bill was taken as read.

Clauses 1, 2 and 3 were called and passed.

On motion of Senator the Hon. N. A. Barrow, Mr. President resumed the Chair and the Bill was reported as having passed the Committee without amendment.

On separate motions of Senator the Hon. N. A. Barrow, the Bill was read a third time forthwith and passed.

COMPULSORY ACQUISITION OF LAND AT BAY STREET, ST. MICHAEL

The Eighth Order of the Day was called — to move the passing of a Resolution to approve the compulsory acquisition of land at Bay Street, St. Michael for the purpose of extending the accommodation of the Barbados Family Planning Association.

SENATOR O'BRIEN TROTMAN: Mr. President, you will remember that this Resolution came before this Chamber some time last year and I did not at that time proceed with it because there was some uncertainty as to the surveying etc. These problems have now been sorted out, and now I am in a position to proceed with the Resolution.

The Resolution seeks to acquire 345 square meters of land at Bay Street for the purpose of extending the accommodation at the Family Planning Association.

I just want to say something quickly about the Family Planning Association, that since starting in 1955 with one part time officer the Association has grown very rapidly and is now servicing 36,000 persons per year, and not only does the Association operate at Bay Street, but it also operates at Belleplaine in St. Andrew, the Black Rock Polyclinic, Gall Hill in Christ Church, the Glebe in St. George, Hillaby in St. Andrew, Horse Hill in St. Joseph, the Maurice Byer Polyclinic in St. Peter, Warrens Polyclinic in St. Michael, Oistins and the Queen Elizabeth Hospital. It reached the 36,000 mark in terms of clients in 1979 whereas in 1955 when it started the Association was only servicing about 100 persons. The birth rate at that time when the Association was formed was approximately 34 per thousand and today I believe, because of the work of the Family Planning Association, the birth rate is now about 17 per thousand. They operate on a Government subvention of \$258,000 plus other funds which they get from the International Planned Parents Federation of about \$200,000. The new accommodation which they are seeking to have after the land is acquired will provide for the re-allocation of staff

facilities a Board room, educational, rooms, storage, libraries, and provision of privacy for interviews.

I just want to say one last thing about the Association which I skipped earlier on. It is that very often in this community we forget the persons who do voluntary social work, and I just wanted to mention that when the Association was started and had its one part-time nurse, the Association's work was carried on to a very large extent by Mrs. Ward, now Lady Ward, and Mr. A. G. Leacock, Dr. T. Ward, Dr. Stuart and Dr. Gale. Some of the work was done by Mr. Beckles and Mr. Reece, and I say that, Sir, because persons like those make valuable contributions to their community and they are often forgotten, not only the contribution, but the people themselves, and we need to remind persons in this community that Associations like the Family Planning Association do not happen overnight, but that persons took time off as volunteers to make it happen.

I beg to move that this Resolution be concurred in.

The question that the Resolution be concurred in was put to the Senate and agreed to.

THE ADJOURNMENT

SENATOR THE HON. N. A. BARROW: Mr. President, I do not know whether you wish us to adjourn for dinner and then come back or whether you prefer to come back next week, but I think we will make it next week.

Mr. PRESIDENT: I would personally be very interested to know how many Senators have had the time to devote to the reading of this Shipping Bill. It is a voluminous Bill and I do not know if members seriously wish to consider it within a matter of days.

SENATOR THE HON. N. A. BARROW: I am not really seriously suggesting that we do the Shipping Bill. Senator the Hon. Don Blackman is no doubt not here this evening because he is reading the Bill, Sir, because he is, taking care of it so we will be treated with the results of his research on Wednesday next.

Just let me say one more thing, Sir. Next Wednesday will be the 11th. I believe that in the next week I have to be away but at any rate the Estimates Debate in the Other Place begins on Monday, March 16, and we should therefore look forward to being able to deal with the Estimates on Wednesday, March 25, at which point I believe that if we start early in the morning, it would enhance our chances of dealing with them perhaps in one day, if not into the second day so what I am proposing, Sir, is that next week we return to do the Shipping Bill and the Corruption Bill.

Accordingly, Sir, I move that this Senate stand adjourned until Wednesday, March 11, at 2.30 p.m.

The question was put to the Senate and agreed to and Mr. President adjourned the Senate accordingly. 7.20 p.m.