
THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1981 – 86

THE SENATE

Wednesday, 11th August, 1982.

The Senate met in the Senate Chamber, Public Buildings on Wednesday, August 11, 1982 at 11.20 a.m., today.

PRESENT

His Honour Senator the Honourable Sir ARNOTT CATO, (President); His Honour Senator J. C. W. WICKHAM, M.B.E., (Deputy President); Senator the Hon. N. A. BARROW, (Minister of Information and Culture), (Leader of the Senate); Senator the Hon. O'BRIEN TROTMAN, (Minister of State in the Prime Minister's Office); Senator H. R. LINTON; Senator Mrs. E. M. LYNCH, G.C.M.; Senator J. E. D. WILLIAMS; Senator D. A. C. SIMMONS, Senator Miss J. CLARKE; Senator A. P. L. REECE; Senator StC. E. HOWELL; Senator E. E. GREAVES; Senator W. W. HALL; Senator Mrs. G. G. READER, M.B.E.; Senator C. D. SEALE; and Senator K. A. ROUSE.

ABSENT

Senators C. A. GRIFFITH; Mrs. M. O. REECE, A.W.A. McCLEAN and Rev. Can. I. McK. JONES.

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

OBITUARY SPEECHES

SENATOR THE HON. N. A. BARROW: Mr. President, I think we will all recall the presence of Senator Colin Deane at our last meeting of the Senate, particularly as it was a meeting which none of us, at that time, had the slightest inkling that it would have been his last meeting in this Senate.

It was while I was out of the island recently that I received the news that Senator Deane had died, and I

immediately reflected on the great loss to this Chamber which has been caused by the Senator's death.

I have had a chance, since returning, to see the reports in the Press in which the emphasis has been on the fact that he was a company director, that he was a planter, that he was a member of this Board or that Board, whether the Smoke Control Board or that of Courtesy, that he was a former Chairman of the Telephone Company.

One report did actually refer to one very significant area of service which the late Senator gave, which was service also to one of the outstanding organisations anywhere in the world and which does a very good job in this country, in that he also gave, up to his last days, service to the Girl Guides' Association.

He was also, Sir, a member of the Central Emergency Relief Organisation and a Director of the Barbados National Bank.

Senator Deane's life, indeed, has been quite distinctive in that he hardly, if ever, passed up an opportunity to do public service. And long before he became a member of this Senate, in 1976, he had built up for himself a record of not merely pursuing the narrow business interest, but doing public service, service to the wider community.

Why I referred to the publications, which I had seen following the Senator's death, is that it is clear that not enough is known or is appreciated about the late Senator; but those of us who served with him in here must surely remember Senator Deane as an outstanding Barbadian.

He was a planter all his life. He was not a defender of the planter class — he was a defender of the sugar industry, and I think it is a very important distinction to make. It is exemplary when one represents certain interests and is not afraid to stand up and be counted, which is the point I really want to make about the Sena-

tor. He was not an apologist for those interests, but in fact he saw the interests which he represented as interests much larger than the narrow class interests which one would normally expect a member of the planter class, perhaps, to demonstrate.

Because of the way in which he saw things, because he saw the sugar industry as central to the economic life and as having its special social significance in this country, which it undoubtedly has, he was the enthusiastic supporter of every bit of progressive social legislation that came to this Chamber while he has been a member — and none did he support more enthusiastically than the Plantation Tenancies Freehold Purchase Act.

It was on that occasion, Sir, that the social conscience, that the great compassion, his deep commitment to his country, which cut across all class and colour lines, could be seen in the way in which he supported that particular measure.

We remember him saying that there were persons who worked for Kingsland and Wotton Estates Limited, of which he had the honour to be Chairman, who had been working with them for so long that he did not consider that they could in all conscience sell them the land, even at the very cheap rate which the Bill made possible, but that, in those cases, they would certainly be making an outright gift of that land to the tenants concerned.

I believe, Sir, that those of us who have had the honour to serve with Senator Deane in this Chamber have had the experience, and the treasured experience, of serving with one of the better human beings which this country has been able to produce.

Senator Deane was a person who always spoke to the point, and briefly. He had something to say, and as I said before, he was never afraid to stand up and be counted. If it was a criticism of the way the sugar industry was managed and he did not agree, he got up and said so.

Equally, if he thought that someone, who represented much the same interest as he was thought to represent, was going a little far, he was quite capable of telling you privately afterwards "I am afraid so-and-so is prepared to represent causes to an extent that I would never even dare to think."

That has happened on one occasion in here, Sir, not in this Session, when a very, very spirited defence of a certain point of view, which most of us, I think, would regard as rather wide of centre, was being made.

On that occasion, I remember Senator Deane ensuring that he was not involved in that defence, because

his was not a way of seeing things narrowly and of seeing things restricted to any particular class.

Senator Deane liked to make his speeches briefly and to the point, and, in so doing, he quite often displayed not only his own charm — he was a man of great charm, a very courteous man and a very witty man — but he also had a few favourites among the classics which he drew on from time to time.

When he did so, he liked to quote them accurately, and I believe that he will forgive me if, in the interest of brevity, I draw on one of his sources, but not quite as accurately.

I will do a bit of paraphrasing when I say, Sir, that in him the elements were so mixed that Nature might stand up and say to all the world, "This was a man."

Mr. PRESIDENT: Senator Greaves.

SENATOR E. E. GREAVES: Mr. President, I would like to associate myself, and the Democratic Labour Party, with the remarks which have been made by Senator Barrow relative to the late Senator Deane.

As he said, Senator Deane has been associated with the sugar industry for all of his life. I do not think that anybody would want at this point to stress, or to be reminded of, the importance of the sugar industry to this country.

As I understand it, he served in the capacity of President of the Sugar Producers' Association for a period of four years and I am sure he would have assisted in guiding the developments of this very important industry, because he remained associated with the Council of the Federation until his death.

I first met Senator Deane about three years or so when he visited the Labour College to attend a function we had up there. I recognised that he was a man who was given to — when he was so minded to — expressing the way how he felt about a number of things, and on that occasion he was in full praise of a particular activity which we had at that particular institution.

As far as my association with him in the Senate is concerned, this characteristic also came to the fore. We, more or less, sat next to each other, and I always found that he was quite willing to give advice in a number of areas, particularly in matters relating to agriculture.

Like Senator Barrow, I would say it was obvious that Senator Deane had had a classical education and one very often found him quoting very widely from classical writers. It was always a treat sometimes to sit and hear

him quote some distinguished classical writers in order to support a particular point which he was expressing.

I am sure that during the period of his life, Senator Deane would have seen a number of changes and developments taking place in Barbados — and, unfortunately, his experiences, whether they are experiences connected with the sugar industry or experiences connected with changes and the development of this country, are not documented.

I think that this is a failing which we have in this society, where enough attention is not paid, by historians, to attempt to reach those persons who have played such an integral part in the life of this country, and, in documenting some events, try to get their views on a number of changes which have taken place.

I believe when such persons leave this scene with the fund of knowledge which they would have had stored away, that we are worse off for it, historically and culturally speaking.

I would hope that the historians in Barbados will pay a little more attention to this particular area. Try to reach persons like Senator Deane and try to document their experiences and tap their brains about developments in Barbados so that we can get the complete social and economic history of this country.

I would say, Sir, that in the loss of Senator Deane the Honourable Senate has lost a conscientious member, and Barbados has lost an outstanding citizen.

Mr. PRESIDENT: Senator Williams.

SENATOR J. E. D. WILLIAMS: Thank you, Mr. President. I would like to associate myself with the remarks of the two previous speakers, and to say that it was an experience for me to have been in this Honourable Chamber to listen to a distinguished person like the late Senator Deane.

He was, to my mind, a true son of the soil. He was the sort of individual who cannot be replaced, and, like the Hon. Leader of the Senate has said, his life has been punctuated by service. That is indeed an outstanding characteristic in any human being.

I would like to express my sympathy to his family.

I thank you.

Mr. PRESIDENT: Senator Wickham.

SENATOR J. C. W. WICKHAM: Mr. President, for me, as I am sure it is for most of the Members of this Honourable Chamber, the essence of Senator Deane's personality was his humanity.

His public service is on record, but what is not on record is the warmth of his personality — his great, some even called it old-fashioned, courtesy, good manners and his humanity.

The sugar industry, sugar, agriculture and Barbados were very close to his heart.

Perhaps just two or three meetings of this Honourable Chamber before his final illness, Members would remember that he left this Chamber very hurriedly, bowing to the Chair, because he had heard the fire engines go pass and the sirens' sound. The next time I saw him, he told me that he had an instinct that that fire was disastrous — and indeed, it was a fire at Wotton and Kingsland.

I think that that sort of experience, which he had, indicates the closeness to his thinking; that he could, by instinct, recognise the sound of a siren as bound for some place which he had recognised.

He spoke to me on the phone about a week before his final illness, to thank me for something which I had done, which I did not think deserve thanks. It was an element of his great courtesy.

He was ill last year and I went to see him in hospital, and there he was alone in his ward, reading and assuring me that he was fine, when I could see by the elements in his eyes, that he was far from fine. But he was cheerful, and I felt good that I had gone to see him.

I think we have lost a human being and a great element of strength in this Chamber, and in Barbados.

Mr. PRESIDENT: Hon. Senators, I know how saddened we all have been at the passing of our friend and colleague, Senator Colin Deane, and I would wish to associate myself with the very glowing tributes that have been paid to Senator Deane.

I know that this is one of those occasions on which certainly it is not a matter of *nil nisi bonum de mortuis*, but a heart-felt and sincere appreciation of someone who has done humane service to his country.

Senator Deane was a member of this House for about six years. He made outstanding contributions on agriculture, but he also made great contributions on various other aspects of our national life; and his work in those fields were almost as exacting as his work in agriculture.

It is difficult not to repeat some of the words that have been said about the qualities of our departed friend. He had an almost Old World sense of courtesy, charm and

gentility, which are so much in consonance with the traditions of a Chamber like this. So much so, that Senator Deane, in my opinion, was an adornment to this House. He knew how to differ and to agree to differ without the acrimony and hostility which, unfortunately, a lot of people seem to regard as an important part of the discussions of public matters.

Senator Deane, as has been said, loved the classics, and he loved literature. He was very familiar with Shakespeare, with Omar and Dante, and Milton, and he was always ready with the apt quotation, or the very opposite allusion, from classical literature.

I believe Senator Deane was a very kind and thoughtful employer, and those who worked for him held him in the greatest esteem. I know that, I, myself, and you, his colleagues, will miss him greatly from this Chamber.

I have already instructed the Clerk to send, on behalf of the Senate, our condolences to his family, and I will now ask Honourable Senators to stand and observe a moment of silence in memory of Senator Deane.

Honourable Senators stood in their places for one minute.

ANNOUNCEMENTS BY HIS HONOUR THE PRESIDENT

Mr. PRESIDENT: I have received the following Message from the Honourable the House of Assembly to the Honourable Senate:

"On the 13th July, 1982, this Honourable House considered the amendment by the Honourable the Senate to a Bill entitled:

'An Act to make provisions respecting the purchase by tenants of agricultural holdings for the purpose of facilitating agricultural development in Barbados' and disagreed with the amendment of the Honourable the Senate to Clause 12 of the Bill, for the reason that the amendment is unnecessary, the matter proposed to be introduced by the amendment being already dealt with in Clause 10 of the Bill.

Wherefore this House invites the concurrences of the Honourable the Senate in its disagreement to the amendment."

SENATOR THE HON. N. A. BARROW: Mr. President, I thank you for the guidance for the Honourable Senate in this matter. I should point out that when the Bill was sent to me to be introduced in this Senate, it was sent to me along with the proposed amendment.

It was later — after we had taken the necessary steps, which was merely done on legal advice — when the Bill went back to the Other Place, that a more mature consideration, or, should I say, a more thorough examination of the Bill then took place, and it was established that what the amendment sought to achieve in Clause 12 had already been achieved within Clause 11, I think it was, and therefore Sir, the amendment was superfluous.

I therefore move that the Senate concur with the withdrawal of the amendment which was made when the Bill was last considered by us, Sir.

The question was put to the Senate and agreed to.

PRESENTATION OF PAPERS

SENATOR THE HON. N. A. BARROW: Mr. President I have the honour to lay the following documents-

The Trade Unions (Fees) Regulations, 1982.

The Public Officers Loan and Travelling Allowances Regulations, 1982.

Statements showing Net Customs and Excise Receipts for 2 months ended May, 1982.

The Health Services (Communicable and Notifiable Diseases) (Amendment) Regulations 1982.

The Service Tax (Amendment) Order, 1982.

Statement showing sums advanced to the Postmaster General for the payment of Money Orders for the month of May, 1982.

The Prisons (Amendment) Rules, 1982.

The Road Traffic (Road Registration Fee and Permits) Order, 1982.

The Health Services (Psychiatric Hospital Accommodation Fees) Regulations, 1982.

The Health Services (Hospital Fees) (Amendment) Regulations, 1982; and

The Annual Report and Financial Statements of Accounts of the Barbados Industrial Development Corporation for the year ended 31st March, 1981.

INTRODUCTION OF BILLS

SENATOR THE HON. N. A. BARROW: Mr. President, on the Order Paper a number of Bills appear for

First Reading. Members have been duly circulated and have been asked to agree to their being dealt with today. So, within a little while, I shall be moving the suspension of Standing Order 45(2), since I understand there is no objection to their being dealt with.

These Bills appear, Sir, at *Order No. 3* —

A Bill to grant an additional sum of money out of the Consolidated Fund and appropriate the same for the service of this Island for the financial year ended 31st March, 1982;

Order No. 4 —

A Bill to amend the Consumption Tax Act, 1980;

Order No. 5 —

A Bill to amend the Pesticides Control Act, Cap. 265A;

Order No. 6 —

A Bill to amend the Marriage Act, 1978–40;

Order No. 7 —

A Bill to amend the Barbados National Bank Act, Cap. 322A;

Order No. 8 —

A Bill to revise the law relating to legal depositaries in Barbados and provide for related matters; and

Order No. 9 —

A Bill to amend the Mental Health Act, Cap. 46.

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

SUSPENSION OF STANDING ORDER

SENATOR THE HON. N. A. BARROW: Sir, accordingly, I move that Standing Order 45(2) be suspended to facilitate these Bills being dealt with in all their remaining stages at this meeting.

The question was put to the Senate and agreed to.

PUBLIC BUSINESS

SENATOR THE HON. N. A. BARROW: Mr. President, on the Order Paper the Items Nos. 3, 4, 7 and

8 will be managed by me and the other Items by Senator Trotman. The order in which I propose to take the Items today, Sir, is as follows: Order No. 3, Order No. 4, Order No. 8, Order No. 9 and the remainder seriatim.

THE FINAL APPROPRIATION(1981 – 82) ACT, 1982

Order No. 3 was called — To move the Second Reading of a Bill to grant an additional sum of money out of the Consolidated Fund and appropriate the same for the service of this Island for the financial year ended 31st March, 1982.

SENATOR THE HON. N. A. BARROW: Mr. President, the Constitution provides, in Section 109 (5), that in respect of all supplementary expenditure voted on by the House of Assembly in pursuance of subsection (4), the Minister responsible for Finance may at any time before the end of the financial year introduce into the House of Assembly a supplementary Appropriation Bill containing, under appropriate Heads, the aggregate sums as voted, and shall as soon as possible after the end of the financial year introduce into the House of Assembly a final Appropriation Bill containing any such sums which have not yet been included in any Appropriation Bill.

Sir, the matter before us is the Final Appropriation Bill for the year 1981–82. We will see that this is for a sum in the amount of \$36 669 234.

I move that this Bill be read a second time.

The question was put to the Senate and agreed to.

SENATOR THE HON. N. A. BARROW: Mr. President, in accordance with Standing Order 59, I move that this Bill be not committed and that it be read a third time forthwith.

The question that the Bill be not committed was put to the Senate and agreed to.

The question that the Bill be read a third time forthwith 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 PESTICIDES CONTROL (AMENDMENT) ACT, 1982

Order No. 5 was called — To move the Second Reading of a Bill to amend the Pesticides Control Act, Cap. 265A.

SENATOR THE HON. N. A. BARROW: Mr. President, the Bill before us is really a Bill for the purpose of tidying up a number of matters and to provide one new power.

There are certain anomalies in the Consumption Tax (Amendment) Act, 1982 -18, and I am going to refer specifically to the measures which this Bill takes in order to dispose of those anomalies.

The new provision is one which will enable goods which are re-imported into Barbados to be given the same treatment with respect to their liability to Consumption Tax as the treatment which they receive under the Customs Act.

Perhaps, I should deal with the new power first, and point out that the Customs Act, Cap. 66, has specific divisions in Section 106 to deal with such goods, that is goods which are re-imported after being sent out of Barbados for repairs or for some other purpose.

For example, let us say, you are operating a radio station and there are no facilities to repair it here and parts have to be sent back. The Customs Act makes it quite clear how those things are to be dealt with, and as it is now, an approach would have to be made to the Minister of Finance for a waiver of duty and so on.

What we are doing here, Sir, is to amend the Consumption Tax Act to include the same provisions which exist in the Customs Act, so that there will be uniform treatment, and the necessity to approach the Minister in each individual case will therefore cease to exist. That is the new power which is in this Act, and it relates to Clause 4.

Now to others which I referred to, which is a matter of dealing with an anomalous situation. Clause 2, Section 6 (2) of the principal Act contained only one Schedule. A second Schedule has now been added and therefore the power of the Minister is being extended accordingly. That is why, Sir, the wording would be:

"The Minister may, by order, vary or revoke any of the Schedules".

You can see clearly what that is.

Section 3(a). When the Consumption Tax (Amendment) Act 1982 - 18 was drafted, Section 7 (a) of the principal Act should have been repealed, because the exemption of the Government tax which was provided therein has now been transferred to the new second Schedule which we just referred to. This was not done. Therefore, we now have Section 3(a) which repeals Section 7(a). So that is Section 3(a).

Section 3 (b). When the earlier amendment of the Act was carried out, Section 7 (b) was not amended in the manner that was intended. The result has been that the section does not read well and the correct reading is now contained in the Bill.

So, this is a cleaning up. We took advantage of doing this cleaning up since we were doing other matters in this Bill.

The principal Act contains a Section 7 (h), which was inserted as a result of a misconstruction of the drafting instructions. The provision is not only superfluous, but it is felt, by the lawyers, that it could well cause confusion and therefore the opportunity is taken now to repeal that paragraph (h).

Those, Sir, are the matters which this Bill is supposed to deal with. It is therefore the removal of anomalies caused in the drafting of the Bill which was passed earlier, and also to provide for one new power which would apply in the provisions of the Customs Act to all goods being re-imported into Barbados, so that whether it is Customs Duty or Consumption Duty being considered, there would be a uniformed method.

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

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

SENATOR THE HON. N. A. BARROW: Mr. President, I would wish to enquire of the Clerk whether the

Mr. PRESIDENT: Just a minute.

On the motion of Senator the Hon. N. A. BARROW, the Senate resolved itself into a Committee on the Bill, Senator J. C. W. WICKHAM in the Chair.

COMMITTEE

Mr. CHAIRMAN: The Senate is in Committee.

Clauses 1 to 5 inclusive were called and passed.

On the motion of Senator the Hon. N. A. BARROW, the passing of the Bill in Committee was reported to the Senate and Mr. PRESIDENT resumed the Chair and reported accordingly.

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

PUBLICATIONS (LEGAL DEPOSIT) ACT, 1982

Order No. 3 was called — To move the First Reading of a Bill to revise the law relating to legal depositaries in Barbados and to provide for related matters.

Mr. PRESIDENT: Senator Barrow.

SENATOR THE HON. N. A. BARROW: Mr. President, the Bill before us results from a study which was done in relation to copyright and the fact that it was found that in some copyright legislation in the Commonwealth Caribbean, for example, the existing Copyright Statute in Barbados, which will cease to exist when the new Copyright Act, 1982 — 1, is proclaimed. The existing Copyright Act in Barbados is Cap. 300, and at Section 16 there is a provision relating to legal deposits.

It is found, Sir, that in certain bits of legislation in Caribbean countries there was a specific provision for legal deposits — in some countries, none at all — and it was thought that the general legislation — not only in the field of copyright, but also legal deposits, which, while it is important for copyright purposes, has other importance of its own — should be harmonized and a common draft Bill was prepared and, with one exception, that is the Bill before us.

In every case, Sir, the legislation in existence, that is, in those territories that had any legislation, was found to relate to a very limited range of materials and the procedures for its enforcement seemed to warrant reconsideration. The consultations with the regional libraries confirmed that this was in fact the case.

Where the connection between copyright and legal deposits exist, really is where there is a registration system being used. But, generally speaking, the matter of legal deposits is a separate matter, worthy of separate treatment, and for this reason, when the copyright legislation was considered earlier this year, it did not include any reference to legal deposits. This was thought should be dealt with in a separate piece of legislation in a separate Bill.

The legal deposit laws, Sir, constitute an important mechanism whereby the cultural output of a nation can be gathered as it appears, and therefore contributes to an establishment of an up-to-date and full collection of the nation's intellectual efforts as part of the national heritage.

And since the works are not confined to items of high literary merit, it facilitates the keeping of a wide ranging record of published works which will throw important light upon the social, economic and political progress of a people. That, Sir, is a quotation from the study and it is a quotation chosen because, Sir, it is so evidently one that we will find ourselves in easy agreement with.

The materials which are usually the subject of legal deposit are "books", a term which has been stretched in some cases to include, say, newspapers, magazines, and other such publications.

But it is difficult to see how one may stretch the term "books" to include phonograph records or tapes of one sort of another, and records, cassettes, films are, in this age of high technological advance, more often the means of storing a lot of material perhaps on the printed word.

The printed word, of course, remains overwhelmingly important, but in a number of areas these electronic means are used, and these cannot possibly be covered by the use of the term "books". And therefore it was necessary, if only for that reason, to reform the law.

Now, I am not at this stage, Sir, going to quote at any length from the report, because while there is a wealth of information in this report, which I am sure Senators will find interesting, and which I am sure Senators will agree with, I am sure that we can all find it necessary to agree to legislation by which the shortcomings of the existing methods of providing for deposit, or providing what should be deposited, and providing for compliances with the deposit laws will be removed. We must be in agreement with legislation which will seek to make clear-cut provision for improvement in those areas. This is what this Bill before us is really about.

I mentioned, Sir, that except in one particular instance, the draft, which applies within the region, is embodied in this Bill, and that particular instance in the original draft, I think in Section 6, is where there was provision for compensation.

This provision for compensation, Sir, arose out of the legal interpretation of the application of Section 16 of the Constitution, which, if we take the Barbados Constitution, protects rights in any manner of property.

We have had legislation here in which we have had to pass them by the formula for enactment of legislation for the alteration of the Constitution as established by Section 49 of the Constitution, such as the Plantation Tenancies Freehold Purchase legislation, for example, because where one is dealing with somebody else's property, the Constitution says that there must deal with it by legislation which adequately provides for compensation.

Now, as I pointed out, Sir, in the existing Copyright Act in Barbados, there is a provision which allows for deposit, which requires deposit, and which does not have any compensation formula. And it will be argued, Sir, that the reason for that is that it was passed before 30th November, 1966, and therefore, it is legislation that is saved by the existing written legislation clause, which, I think, is Section 26 of the constitution.

It was thought that since, in a sense, this deprives people of property, the legislation would have to have a provision for compensation.

And there is another view, Sir, which is that since there is legislation already requiring deposit, and that legislation does not cease to exist until the new Copyright Act is enforced, then it may be that we are not in any way passing any legislation which in any way affects the right of Barbadians in a way that they are not affected already.

In other words, there is legislation for deposit, and we are ensuring that legislation for deposit continues. Only in a very fine technical sense can you say, that by requiring somebody to deposit we are talking about depriving a man of property. Only in the sense that as long as it is the man's property, it means that once he is required to deposit you are depriving him of property.

What will happen, if you put a compensation provision in this Bill, is that you will be setting up machinery in which people's time will be taken up with a number of matters involving very minute sums.

The legislation for legal deposit, (a), allows you to document the national heritage in a way that is not possible without deposit legislation, and, (b), it gives protection to the publisher within the context of the Copyright Act.

I do not know how one can argue that you are depriving a man of property when part of the object of your legislation is indeed to enhance his rights in his own intellectual property.

It certainly did not seem that it was necessary to include a compensation provision which, at best, seemed largely to be merely following the legislation in Guyana where such a provision is included. Legal deposit legislation exists all over the world, and the compensation provision is not a usual feature of such legislation.

Therefore, it seemed quite needless to build in a system in which people would have to go and apply for compensation — because this is what it would have said, that if you want compensation you would apply for it — and then to have it adjudicated; that if you were not satisfied with what you were offered you could go to court and have a Magistrate decide whether or not that is fair compensation of what the amount should be.

The question really is, Sir: what are we really compensating somebody for? Is it usual to compensate people for a system of legislation in which, because it exists, an individual is given greater rights in his own property? Because, as I have said, the deposit is important for purposes of the copyright law, particularly where a registration system is being used, and it is that copyright law which gives to the individual protection of his interest in his intellectual property.

I should perhaps not leave that point without saying that if we should find that there are people who require compensation for their rights to be protected in this way, then either it will stop the law from working or it will then be necessary — if the courts should hold that the law is ineffective, because, after all, it is a matter for the courts to decide — for us to have the law changed. But not otherwise.

I think, having said that, what I should do is to deal with the provisions of this Bill. Let me say at the outset that there are two depositories in Barbados for works under the Copyright Act. One is the Public Library and the other is the Library of the University of the West Indies. We do not intend to change that.

It is very important to us that the Public Library should remain the depository for national publications, and it would seem to me that there is no need to stop the University Library from continuing to be a depository.

What will happen is that you will be required to deposit one publication. If the Library is to build up its stock, I am afraid it must do that in the usual way. Deposit legislation is not to be used as a means of any library building up its stock. The reasons for deposit are not that.

Sir, let me therefore go to the Bill. The definitions are important. Let me state again what I have probably stated before. If I have not, just let me say it now, that the intention here is to ensure that we catch as wide a range of publications as one should catch within this Bill.

So we see that "audio-visual works" means the aggregate of a series of related visual images, etc.; "literary work" means any work expressed in words, etc.; any edition comprising drawings, etc.; "microform" in relation to a literary or musical work, etc., all set out in the Bill. "Print", a "printer", "publisher".

The definition of "publish in Barbados" or "publisher" is important, because you can talk about publication within the context of the law of defamation, for example, in that if I repeat something which has been told to me I am a publisher, notwithstanding the defamatory story did not originate with me, and so on.

But this is not what we are getting at within this law, so there has to be a definition of a publisher — someone who is a resident within Barbados within the meaning of the Immigration Act, who by himself or in association with others having undertaken the arrangements necessary for the production of copies of any audio-visual, literary or musical work, or any sound recording publishes them in Barbados.

It has to be quite clear that the person is the person who undertakes the arrangements necessary for the production of copies of the work.

It is not satisfactory for the printer, as happens in some such laws, to be the person on whom the law focusses, but what you want to do is to try to get what is a national heritage, so you are looking at people who live here or who are citizens of Barbados, and so on, and who publish anything here.

Those are the people within the scope of the term "publisher" and therefore their works are the works within the scope of this legislation.

It is not practical to deal with, say, publications by Barbadians outside unless they are also published here, and therefore you have to set your scope within sort of realistic limits.

Clause 3 authorises the Minister to designate libraries for legal depositories and to specify the categories of work to be deposited.

Clause 4 imposes the duty of persons publishing in Barbados to deposit one copy of each publication at each depository within a given time. Regulations may exempt categories of material which are not thought necessary to be kept.

Clause 5 imposes an obligation on persons printing materials, including the press of records, to inform the relevant legal depository four times a year of materials printed by it. In this way, the depository may be enabled to discover works which should have been deposited, but were not.

I think that is not only important for building up a national heritage stock, but it is also important in an evidentiary sense when you come to consider the application of copyright law in that area, which is so often said to be one piracy, where somebody writes, say, a song, and then it is stolen and performed by other people. That is why we keep referring to the fact that this kind of legislation protects the person's right of intellectual property and therefore compensation seems to be singularly inappropriate.

Then, we have the clause providing for offences by the publisher and printer, and the making of regulations.

The clauses providing that the Crown be bound is extremely important, Sir, because it is not usually recognised that a number of publications are publications by the Crown. Government departments and Government Ministries publish a whole lot of things, and some are distinctly worthy of being added to the stock.

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

Mr. PRESIDENT: It is proposed that this Bill be now read a second time. Senator Wickham.

SENATOR J. C. W. WICKHAM: Mr. President, personally I welcome this Bill and I think that all concerned Barbadians must welcome it, especially as it is a major effort to restore or build up our stock of important publications.

The first point I would like to make is that — and I hope the Minister recognises that there is need for adequate publicity for the Bill — there are a number of people who publish their little poems, leaflets and so on without being aware that they are legally bound to make the deposit.

Now, we cannot question the quality of this work. Some of them are often not worth publishing, but it is not for us at this stage to say so. Fifty years from now they might in fact become important documents. So there is need for publicity, publicity in the schools; the widest possible publicity.

The Minister has said that he sees no need to make a change in the number of depositories which would remain the Public Library and the library at the University of the West Indies. He is probably right.

I had hoped, and I had acted on this assumption, that it is important to include the Archives in this group and I have, for such publications as I am responsible, always sent the Archives a copy or two.

The Archives has only recently started paying attention to this, but it is a very young department and there is a great need for people to sometimes supply it with old copies of work which they have, and I have done so.

The books of the late Frank Collymore, for example, are being made available to the Archives for their archival value.

My third point is that it is the responsibility of these depositories to make sure that they get copies of work relevant to Barbados, authored by Barbadians but published outside of Barbados.

There is a fair amount of what I call academic literature, that is, school books, which are published outside of the Caribbean.

There is one I think of immediately. It is called, "The Environment of Barbados", by a Barbadian, which I found very useful, but which, in terms of this legislation, not bound to be deposited. It seems to me

that there ought to be some provision, whether by persuasion or something, where this thing is deposited inside of our depositories.

Perhaps there are adequate funds in these places, the Public Library, for the acquisition of publications authored by Barbadians but published outside of Barbados.

I hope in a very short while to benefit from some sales to these bodies since I shall have, very soon, something of my own appearing, but published outside of Barbados.

I should like to hear the Minister's response to these three points when he comes to make his reply.

Thank you, Mr. President.

Mr. PRESIDENT: Senator Barrow.

SENATOR THE HON. N. A. BARROW: Sir, in relation to the last point, I anticipated this point and that was why in my opening remarks I dealt with the fact that it is not practical for the law, as it is, to envisage bringing such publications as are done outside of Barbados within the ambit of the legislation.

I would say however, Sir, that as a matter of policy, it is the duty of the library, whether in its capacity as a library or in its capacity as a depository, to assemble works of Barbadians even though these are published outside.

I would believe, Sir, that this does accord with both the Public Library and the library of the University of the West Indies. So, in a sense, I do not think Senator Wickham needs to have much fear on that point.

I will, however, undertake to enquire how well this operates as a conscious policy so that we can ensure if the point is not being satisfactorily met now that it should be in the near future.

We are under pressure in terms of money for the purchase of books and so on, but the fact is that that is a priority area, undoubtedly a priority area.

Now, as regards the other two points, Sir. We have to be very careful that we do not have such a large number of depositories that it becomes a matter of cost to the publisher.

We are saying, on the one hand, that we are establishing machinery for the enhancement of the national heritage stock. We are also saying that within that we are giving greater protection to your rights and your intellectual property, and that since that is the case,

there is no ground for including any compensation provision.

However, Sir, if we were going to make it a fairly costly measure by requiring too many things to be deposited, we would then, I think, be creating the case for compensation. That is one point.

In fact, that is not quite finishing the point, because what I am going on to say is that it would seem to me that rather than create a case for compensation, it would be better for such other institutions, as should be collecting this kind of material, then to collect on the basis of the merit to the particular collection. So that would be, in my view, a more judicious expenditure of funds than just adding another depository.

The other point — and this, perhaps, is the more complete answer — is that in the National Information System, which is being established, we will find both the Public Library and the Archives, and therefore it seemed appropriate to make the choice as to which one should be the depository. It would seem to me that we should not have two depositories within the same institution after all — because then that becomes the overall institution.

The other point raised by Senator Wickham has to do with publicity and in the report there is the recommendation stated as follows:

“Designated depositories should arrange with the relevant Ministry for the preparation and wide distribution of a short pamphlet which explains the purposes of the law, its intended operation, and details of the kinds of materials required to be deposited.”

So the point is very, very well taken, Sir.

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

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

SENATOR THE HON. N. A. BARROW: Mr. President, I beg to move that the Senate do now resolved itself into Committee on this Bill.

The question was put to the Senate and agreed to. Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, Senator J. C. W. WICKHAM in the Chair.

Clause 1 was called and passed.

Clause 2 was called.

Mr. CHAIRMAN: Senator Linton.

SENATOR H. R. LINTON: Mr. Chairman, I just wonder if there is some slight grammatical error on page 3 under the definition of the word "print" which we could probably correct without any major upheaval in the procedure — "print" in relation to any audio-visual, literary or musical work or sound recording, means manufacture copies thereof by any electronic"

I believe that should be "manufactured" copies. (Asides) I believe we can regard it as a typographical error and have it corrected; no problem. (Asides) Thank you.

Mr. CHAIRMAN: The question is.....

SENATOR THE HON. N. A. BARROW: Things like that, Sir, which do not affect the clarity and the meaning of the clause, I think it is better to leave those for the Attorney General's Chambers when they do their cleaning up at the end of the year, Sir.

Clause 2 was passed.

Clauses 3 to 9 inclusive 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 and Mr. PRESIDENT resumed the Chair and reported accordingly.

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

BILL TO AMEND THE MENTAL HEALTH ACT, CAP. 46

Order No. 9 was called — To move the Second Reading of a Bill to amend the Mental Health Act, Cap. 46.

SENATOR THE HON. O'B. TROTMAN: Mr. President, Sir the amending Bill before us seeks to revise the fees paid to medical practitioners who provide service of one kind or another under the Medical Health Act.

Paragraph 6 of the Mental Health Act provides for the adjudication of persons of unsound mind and enquiries as to whether those persons are, in fact, of sound mind or not.

The fees prescribed are found in subsections (7) and (8) of Section 6.

In section 7, Sir, the fee to be paid by the informant to the practitioner is set at \$5.00, and in section 8, where they suspect the person is a pauper, or the informant is a member of the Police Force, the fee paid was also \$5.00. It is proposed that those fees be increased to \$25.

Section 13 of the Mental Health Act, Cap. 46, provided for temporary treatment without adjudication, the reception of certain persons for temporary treatment in the Mental Hospital, etc., and again the fee set in that section was \$5.00 and it is intended that that also be raised to \$25.

As far as Section 33 is concerned, Sir, Section 33 provides for the inspection of private mental hospitals. The fee set to the practitioner there is \$10 and that is to be increased to \$30.

Section 6 of the amending Bill also makes payments for the period 1975 to 1980, because the fees which were paid during that period in fact were not brought to Parliament because at that time another Act was contemplated, which is now on the Statute Book, but not yet proclaimed, and it is necessary to put the fees into this amending Bill until such time as the new Act is proclaimed.

I beg to move, Sir, that the Bill be read a second time.

The question was put to the Senate and agreed to.

SENATOR THE HON. O'B. TROTMAN: Mr. President, I beg to move that the Senate resolve itself into Committee on this Bill.

The question was put to the Senate and agreed to. Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, Senator J. C. W. WICKHAM in the Chair.

Clauses 1 to 6 inclusive were called and agreed to.

SENATOR THE HON. O'B. TROTMAN: Mr. Chairman, I beg to move that the Senate be resumed and the Bill reported as passed.

The question was put to the Senate and agreed to. Mr. PRESIDENT resumed the Chair.

SENATOR THE HON. O'B. TROTMAN: Mr. President, I beg to report the passing of the Bill in 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. O'B. TROTMAN: Mr. President, I beg to move that the Bill do now pass.

The question was put to the Senate and agreed to.

**RESOLUTION TO APPROVE THE COMPULSORY
ACQUISITION OF LAND AT HAGGATT HALL
TWO MILE HILL, ST. BARNABAS AND
MOUNT FRIENDSHIP, ST. MICHAEL**

Order No. 1 was called — To move the passing of a Resolution to approve the compulsory acquisition of land at Haggatt Hall, Two Mile Hill, St. Barnabas and Mount Friendship, St. Michael for the construction of the Samuel Jackman Prescod Polytechnic Access Road.

SENATOR THE HON. O'B. TROTMAN: Mr. President, this is probably the third or fourth time we have come to this Chamber with various Resolutions for the acquisition of land to do with the St. Barnabas highway.

The need for this Resolution today is that there has been some realignment and redesigning of the highway, especially as it relates to the construction of a roundabout at Haggatt Hall.

Whereas in the initial stages it was considered that traffic lights should be installed, it has now been decided that a roundabout should be constructed, and therefore there has been some subsequent reorganisation of the highway.

I have taken the liberty of circulating the plans to Senators earlier so that they could see the bits of land involved.

I beg to move, Sir, that the Senate concur in this Resolution.

SENATOR E. E. GREAVES: Mr. President, I just will make a few observations on this particular Resolution.

As Senator Trotman has indicated, the Government has, from time to time, since this highway construction began, come to this Honourable Chamber for the purpose of acquiring additional land connected with this highway.

It seems to me to indicate that the Government cannot really make up its mind as to what it wants in this particular area.

Just the other day I was driving down the road in that area and saw a rather funny sight. By Cable and Wireless — I believe it is all part of the St. Barnabas, Haggatt Hall road construction — where there is some road widening going on. I noticed that some land apparently has been acquired from Cable and Wireless.

It was dug out and then it was filled up. The part that was dug out was filled up and brought up to the level of the existing road.

Lo and behold, after that has been done one finds that the Waterworks now is getting into the act and re-opening the road, digging back out the road to lay pipes.

Now, I really wonder, you know, when we are really going to sit down and stop wasting the taxpayers' money in this country.

It would seem to me, Sir, if we had any particular plan about the construction for that road, or any road for that matter, that all of the departments which are involved, whether it is for the purpose of laying water mains or gas mains, whether it is to do with the Telephone Company or the Light and Power Company laying underground cables, then it would be cheaper to have those done and then cover the road, rather than cover the road, pay for having it covered and then dig it up again to lay mains.

And I am not sure that that is the end of the digging up, because I suspect that once the Waterworks has put in their mains and the roads have been covered, we are going to get the gas people coming along and digging up the road and putting in their mains, and then they will be covered again and then the Telephone Company will come and do the same thing and the Light and Power Company will come and do the same thing.

I think it is nonsense, and I believe that we ought, by now, to have some particular strategy in order to prevent wastage in these very hard and difficult times. I do not believe that the Government, in this time or any other time, can afford to undergo this kind of wastage, and particularly in these very hard and difficult times.

Now recently, I believe the Rt. Hon. Prime Minister toured this area and made reference to what I would say might be the first overall public indication as to the way in which money from the Transport Levy is going to be used, where he indicated that some of this money is going to be used to beautify the roads in Barbados, and I think he was speaking particularly in reference to this new highway.

Sir, I believe that I can appreciate the need to beautify our roadways, but if we are going to extract money from working people in this country, in addition to taxes which are paid to keep Government services going, then I think that the people of this country ought to be insisting on having proper roads in Barbados.

I was very surprised and, indeed, disappointed, to learn that the first thing for which money from the Levy

would be used for would be the beautification of roads, with particular reference to the Haggatt Hall road up there that we are now considering the acquisition of land to complete.

What is very clear, Sir, is that there is a lack of proper planning as far as our roads are concerned, and I would crave your indulgence, Sir, if I may just venture a little beyond this particular construction, since we are talking, generally speaking, about roads and road improvement.

I do not think I am on record, and certainly my party is not on record, as having criticised the particular construction of this road, or indeed the Spring Garden Road.

We are talking in terms of road improvement and it would seem to me that in addition to looking at these new highways, maybe we should look very carefully at upgrading our existing road system, because you, yourself, and everybody in Barbados by now, probably with the exception of the Government, recognise that our roads are in absolutely bad state of disrepair.

I mean, I do not know if they can get any worse. They are that bad, Sir.

One talks about potholes in the roads. As I heard on a programme last night, some call-in programme, I believe on the Voice of Barbados, people are no longer calling them potholes, they are calling them wells.

Sir, people who drive along the roads, particularly if you get a little rain, are facing a very embarrassing position, because the water covers the holes and sometimes you drive along without even knowing that a hole is there; and you drop into this hole and water splashes on pedestrians. And people often abuse you because they think that you are doing it for purpose.

I think that we ought to be more concerned about these things and look at the kind of effect which this will have on traffic.

I think, Sir, that we ought to be more concerned now with upgrading the roads in this country, getting them back in a proper condition, rather than reaching out into wasting hard-earned money, which is being extracted from people to put in an area which, in my view, would be wasted at this point in time, that is, the beautification of our highways.

I am not at all saying that it is not necessary, but it is a question of priorities, and I think that we have to get our priorities in order. And it is fairly clear to me, Sir, that the Government does not have its priorities in proper perspective.

Sir, I just touched briefly on the Transport Levy, because the purpose of it is, apparently, to do with roads and providing proper transport and what have you. But no matter how much money we extract from people, the problem is not going to improve unless the Government improves its planning.

I hope that this will really be the last time that the Honourable Senate will be called upon to approve the acquisition of additional areas of land for this particular highway. Almost every three months, the Government has been coming for additional areas of land, and, as I said at the outset it demonstrates very clearly that planning is very, very lacking in this particular area.

People are not satisfied with what they are getting for what they are paying. The people in this country are very dissatisfied with the imposition of the Transport Levy, and I am now, Sir, calling on the Government to abandon it, to abolish it, because it is an imposition which people cannot continue to have imposed on them at this point in time.

The money which has already been extracted — let us get some proper roads and a proper road improvement programme going in this country from it. Look at the question of drainage — and I am not too sure, Sir, what is being done in this particular area as far as the road up in St. Barnabas and Haggatt Hall is concerned. Look at that area of drainage.

If you get a very small downpour for a short period in Barbados, what happens? The whole country is flooded. All over the country no proper form of drainage.

I would exhort the Government to pay some very close attention to our existing roads, try to bring them up to a proper standard, and to improve the ancillary facilities that would enable us, once more, to be proud of our road system, to save the embarrassment which one finds when there is a short downpour of rain and the attendant flooding which is evident throughout the length and breadth of this country.

Mr. PRESIDENT: Senator Howell.

SENATOR ST. C. HOWELL: Thank you, Mr. President.

Mr. President, I, to some extent, sympathise and I do agree with Senator Greaves' opening remarks. I, myself, can see no sense in digging up the road, paying money, at any time, especially when things are difficult, repairing the road, and then the various statutory bodies come along and reopen them time and again.

I think that is a perfectly good criticism.

What bothers me, Sir, is that the Hon. Senator did not spell out whether this is the first time this is happening. My understanding is that this is a valid criticism that has always been levelled at the various statutory bodies. It really does not make good sense.

It cannot be said, Mr. President, that under the Democratic Labour Party the practice has never been the same, or that there is a change in practice now that the Barbados Labour Party is in power. It is therefore a valid criticism, but it is also true to say that it is a criticism which has always been levelled at the various statutory boards.

The next thing, Mr. President, is that there has always been criticism about the potholes in the roads. Everyone has a go at it. Precious little, however, Mr. President, is said by the other side about the massive infrastructure that is taking place on the roads which must clearly enable this country to take advantage of the Caribbean Basin Initiative, when it takes place.

I don't think there can be any doubt about it, Mr. President, that in the English speaking Caribbean the transport system in Barbados is second to none. The Barbados Labour Party does not really expect the Democratic Labour Party to put a case for it, but the roads in this country are second to none in the English speaking Caribbean.

With the amount of infrastructure that is taking place now, all that cannot be done and, at the same time, Mr. President, carry out massive maintenance programmes on the roads at difficult times. The Government understand and indeed sympathise, but we are doing what we consider to be the best and the most important in the circumstances.

But there have always been potholes in the roads, Mr. President, and there will always be potholes in the roads, and this Government must be commended for the infrastructure of the laying of the new roads, like the St. Barnabas Road, to benefit this country in the long term, when, in the future, we can take advantage of our improved transport system.

Thank you, Mr. President.

SENATOR H. R. LINTON: Mr. President, I wish to congratulate the Government on having second thoughts about placing a junction at the point where it was intended to place a junction, and to have it replaced by a round-about.

History has shown, Mr. President, that roundabouts are not only cheaper to construct and to maintain, but that they are also safer too. Indeed, I can point to several junctions in this country which

ought, as a matter of urgency, to be replaced by roundabouts.

I would not however, Sir, cast my net that wide today because I appreciate the situation in which we are. I will restrict my observations to two points in St. Philip which I intend to bring to the attention of the Minister of Transport and Works now that I am fully ceased of the information regarding the cost of constructing a round-about.

One comprises, Sir, the junction near the bus depot at Mangrove, St. Philip — the junction at Oldbury and Greaves' Hill and Mangrove — which incidentally, leads to Hopewell where Senator Seale lives, Sir. Six Cross Roads in St. Philip, too, Sir, poses some kind of a hazard to motorists and very often, except for those on the main road, motorists are seldom aware who should move out first.

It is my intention, Sir, immediately on leaving here, to ask the Minister of Transport and Works to look into the possibility of having a round-about constructed at these points in St. Philip South, Sir.

But my main reason for speaking on this Resolution, speaking in support, is to retort, briefly, to Senator Greaves who said that he could not understand why the beautification of the road should take priority over other projects, particularly in these harsh economic times.

Sir, for too long, Barbados and most other developing countries have regarded landscaping of new works as a subsidiary and, very often, an unimportant matter.

It is modern planning policy and practice, Sir, to include a sum in the estimates for landscaping purposes. And no country, including Barbados, ought to plan and/or execute major building projects without including a sum for landscaping purposes.

As a member of the National Conservation Commission, Sir, I know only, too well, also, that it is cheaper to do your landscaping simultaneously with the building construction as far as that may be possible, and in that way cost can be drastically reduced.

Once the extra mould that is dugged out is there, once the equipment and machinery are on site, for excavating and things of that sort, Sir, it is much, much cheaper to level the area, grade it, and put in the plants than to wait for years after.

At the same time, too, Sir, the cost of labour and plants would go up, and when the time comes to landscape the area, we find that the costs have doubled.

I think if the country needs an example of the importance of landscaping an area simultaneously with the building, or as near as possible thereto, Sir, we should only look at what I like to call 'Heroes Circle'. And, for the life of me, Sir, I don't know why the Government has not yet taken steps to change the name of Halls Road junction to Heroes Circle as its declared intention.

One only has to look at 'Heroes Circle', Sir, and see the work that has been done, first by the Parks and Beaches Commission, and then the National Conservation Commission. And every day, Sir, we at the National Conservation Commission receive praises for the work that we are doing there. Our only bother is a few sheep, that are hardly ever tethered, which destroy the plants and then we have to replace them.

I would like to see Sir, plants put in, wherever possible, at all roundabouts and in most of the open spaces which cannot be put to any good uses. And I heartily support the Government, I heartily support the Prime Minister, Sir, in his desire to see this new and lovely highway being landscaped as near as possible to its conclusion.

Indeed, I may as well say, Sir, that, as I understand it, it is the policy of the Government not only to protect, but also to beautify and enhance the environment as often and as far as the Government can do, and as far as its finances will permit.

To this end, Sir, the National Conservation Commission has started to landscape and beautify the area stretching from Grantley Adams Airport right down along that coast. We intend to continue this, and we intend to stretch it from there along the new highway.

There is no point asking to have it delayed. And the fact that the money may be taken from the Transport Levy, Sir, does not of necessity mean that this will be the priority No. 1 in terms of using the money collected from the Transport Levy.

The importance of the environment must never be under-estimated by the Opposition or anyone else in the country. The National Preservation Commission has worked too hard to bring the countryside, and the country as a whole, to what it is today to have the work of protecting, beautifying and enhancing the environment reduced to the argument of economics. I thank you, Sir.

Mr. PRESIDENT: I did allow a little latitude on this Resolution because I thought that, in principle, one, in speaking of this land acquisition, could make general broad reference to policy and rules, but I certainly did not expect it to develop into a debate on all sorts of matters which are extraneous now, details of different parts of the island and so, so I have just to draw members back a little bit to the main subject of this Resolution.

SENATOR THE HON. O'B. TROTMAN: Mr. President, Senator Greaves fought hard to make out a case against the use of public funds for the beautification of the highway now under construction at St. Barnabas.

I can only say, Sir, that I was a little disappointed to hear him take that stand today, because Senator Greaves, I believe, is on record in This Place as calling for the general improvement of Barbados as the entire tourism plant of this country. I well remember Senator Greaves going on and on making the point that the tourism plant is Barbados.

He cannot, in my opinion, make out a case that tourism is suffering because of the tourism plant not being in the best condition. When the Government seeks to do something with the tourism plant, Senator Greaves is the first to say that we are extracting money from people, not that people pay taxes, but that we extract money from people to improve the tourism plant. He cannot have it both ways.

I believe too, Sir, that he will find his party on record as criticising the administration for having the mould and the rocks causing great inconvenience to householders along construction sites in Barbados.

In order to beautify the country, Sir, we use some of the taxpayers' money to remove the mould, grade and landscape properly and bring some measure of pleasantness and comfort to the eye in the areas where we build the roads.

We cannot have Senator Greaves then saying that we are wasting the taxpayers' money on these projects.

He tries to make out a point that beautification of the road should not take precedence over road building, as if that is what is happening.

I have said in this Chamber before, Sir, and if Senator Greaves wants me to get the specifics for him I can do that at another time, that during the five-year period, 1976 to 1981, more miles of Barbadian roads were repaired than in any ten-year period between 1961 and 1976. Notwithstanding the construction of the East Coast Road, more miles of Barbadian roads have been constructed between 1976 and 1981 than in any ten-year period — he can take any ten years he wants to — between 1961 and 1976.

He must not try to fly a flag which would suggest to the public that we have given up on road repair and on road construction, and that we are only concerned with the planting of flowering shrubs and green grass at the sides of our streets.

The other point is that Senator Greaves seems to be unaware of the fact that the mould which is left at the

sides of the streets when the construction work is going on encourages undergrowth and all kinds of shrubs — if we do not want to flower it properly — and the rats will find ready homes waiting for them unless something is done to clean up the sites.

I believe that the taxpayers' money should be used to clean up the sites to make sure that the place not only looks good, but to make sure that rats do not have any hiding places at the sides of the streets.

If we want to make people in Barbados keep their surroundings clean and pleasant, I believe the Government should take the lead in this matter and start beautifying their own highways so that the citizenry can take a lead from the Government.

Thank you, Sir.

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

**RESOLUTION TO APPROVE THE COMPULSORY
ACQUISITION OF LAND AT DANESBURY
COURT, PARADISE, SPRING GARDEN,
WALMER LODGE, BLACK ROCK,
ST. MICHAEL.**

Order No. 2 was called — To move the passing of a Resolution to approve the compulsory acquisition of land at Danesbury Court, Paradise, Spring Garden and Walmer Lodge, Black Rock, St. Michael for road improvement.

SENATOR THE HON. O'B. TROTMAN: Mr. President, this is the other part of the Resolution to the one we have just completed. The reasons for this Resolution are very, very similar.

In fact, Sir, it is the decision to change from stop lights at University Row, where University Row on Highway 1 converges on to the new highway, that will lead to the redesigning of that highway, and it has become necessary for the same reasons as I gave earlier to acquire additional lands if we are to have the highway as it is now designed.

I beg to move, Sir, that the Senate concur in this Resolution.

SENATOR E. E. GREAVES: Mr. President, I will be very, very short. There is just one aspect I want to raise and it is on this question of land acquisition.

I think there is general concern amongst people whose lands have been acquired by the Government about compensation for land so acquired. There has been a lot of criticism that the Government has taken up people's lands, legally, I suppose, because if you use the Land

Acquisition Act that would be done legally, but the kind of difficulties which people are experiencing in getting money for this land which has been acquired are difficulties which, I submit, could be reduced as much as possible.

One has to consider some of the difficulties and problems in which people are placed when they are forced, sometimes through land acquisitions, to move or give up areas of their lands. I believe that the Government should initiate a policy where these matters could be settled as quickly as possible, and when such matters are settled, then compensation should be forthcoming almost immediately. I do not believe that these matters should be allowed to drag on.

I am thinking of a case in point, not connected, of course, directly with this particular area, but where people's lands have been acquired for the construction of the cement plant.

There is one family whose house is right in the area. The Cement Plant is being built all around the house, and they are forced to remain there and stomach that kind of dust, and they cannot get compensation out of the Government, or cannot get their matter completed, so that they could move to another area which is being contemplated that the people should be moved to.

I find that these kinds of experiences and the difficulties which people have from time to time with the Government, which comes and acquires land from time to time, ought to be reduced, and there should be smooth arrangement in these particular areas.

I know that in some areas one would run into difficulties where people might be asking for more money than what the land might be valued at, but I would think that, in the circumstances, if a reasonable offer is made by the Government, a lot of these matters could be completed.

But I would just like to put in another plea for those persons whose lands have been acquired by the Government for various projects and who continue to experience considerable difficulty in getting their matters settled and getting their compensation.

I hope, Sir, with the two acquisitions which we have done here today, along with others which we have done before, that the Government would see it fit to hurry up and get these matters settled.

Thank you.

SENATOR THE HON. N. A. BARROW: Mr. President, I well understand the point that Senator Greaves is making, but I think the point also has to be

taken that the matter is not really as simple as the Senator has put it out.

In some cases, you will find that there are no matters outstanding, and yet people have not received their money. But the point is that those are very, very few of the cases.

It is just like — I think the Senator knows very well — when you are doing purchase by private treaty — in some cases lawyers take very long, in some cases they deal with them expeditiously. It is nothing to do with the political will.

As far as the political will is concerned, we would wish that these matters are settled expeditiously and people receive their money very, very promptly. But there are some fairly legitimate delays.

I fear that one sometimes suspects that all the delays are not so legitimate, but the fact is that it relates to the workload of the officers handling the purchasers and how fast they can really get the work done. So there is no intention to work hardship on anybody.

But in a number of cases where it is felt that the matter should have been resolved a long time ago — because people complain about these things — when we check them what you find is that the matter of price is not resolved.

And, as Senator Greaves I am sure knows, in the existing legislation there is no provision for either party to move the matter to the courts for compensation. It is a matter solely within the province of the vendor.

The delays are therefore happening because of a weakness in the law as it now stands, because if either party could move the matter to the court so that the matter of compensation could be resolved, I am sure that the Government would, in many instances, move to go to court so that the price can be determined, because there is absolutely no intention to do anybody out of a fair price.

But what you are doing is that you are making the offer on the basis of the going price and there are some people who ask for a lot more money than that. The fact of the matter is that, usually, things like that would have to be settled by the court.

The weakness in the law is that Government is not in the position to move the things to court for compensation. So you get the man who will not settle, and not go to court to get a price settled, and then complains that he cannot get his money.

I think we should not try to give too much comfort to people who are in that position.

So, we may take the point that Senator Greaves was making. It is a point that has occasioned us some concern and we are looking at ways in which we could seek to improve the procedures so that these matters can be settled quickly and payments made.

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

SUSPENSION OF SITTING

Mr. PRESIDENT: I propose at this time to have a short suspension. The sitting will be suspended for 45 minutes.

On resumption:

Mr. PRESIDENT: This sitting is resumed.

BILL TO AMEND THE PESTICIDES CONTROL ACT, CAP. 265A

Order No. 5 was called — To move the Second Reading of a Bill to amend the Pesticides Control Act, Cap. 265A.

SENATOR THE HON. O'BRIEN TROTMAN: Mr. President, Sir, this must be the shortest bit of business we have today.

The Pesticides Control Act establishes a Board, Sir, in which the Second Schedule of the Act lists the persons who form the Board. That Schedule includes the Chief Medical Officer as a member of the Board.

For practical reasons, Sir, it is considered that the Chief Medical Officer should be able to delegate this function of serving on the Board to one of his or her officers, and since the Chief Medical Officer is a unit Head in the Ministry, it is not easy for that officer to attend all the meetings of Boards to which she is now nominated.

It is considered that we amend the Act to allow a nominee to serve on the Board.

I beg to move, Sir, that the Bill be read a second time.

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

SENATOR THE HON. O'BRIEN TROTMAN: Mr. President, I beg to move that the Senate do now resolve itself into Committee on this Bill.

The question was put to the Senate and agreed to. Mr. PRESIDENT left the Chair and the Senate went into

Committee on the Bill, Senator J. C. W. WICKHAM in the Chair.

Clauses 1 and 2 were called and passed.

SENATOR THE HON. O'BRIEN TROTMAN: Mr. Chairman, I beg to move that the Senate do now resume and the Bill be reported as passed in Committee without amendment.

The question was put to the Senate and agreed to and Mr. PRESIDENT resumed the Chair and reported accordingly.

On separate motions of Senator the Hon. O'B. TROTMAN, the Bill was read a third time and passed.

BILL TO AMEND THE MARRIAGE ACT, 1978-40

Order No. 6 was called — To move the Second Reading of a Bill to amend the Marriage Act, 1978-40.

SENATOR THE HON. O'BRIEN TROTMAN: Mr. President, Section 6 of the Marriage Act gives the relevant Minister power to appoint marriage officers by instrument.

The amending Bill seeks to provide for the payment of registration fees by those officers and the penalties for not paying the fee.

I was trying to check, Sir, as to whether or not the amendments which were made in the Other Place were circulated.

(A Pause).

The Bill before members of the Senate is the one passed and corrected in the Other Place. Therefore the amendments are properly before the Senate.

I beg to move, Sir, that the Bill be now read a second time.

Mr. PRESIDENT: It is proposed that this Bill be now read a second time. Senator Greaves.

SENATOR E. E. GREAVES: Mr. President, I thought that Senator Trotman would have given some reason for the marriage officers being called upon to pay a registration fee.

I know that it is, or could be, argued that this is a fiscal measure and that it was included in the last Budgetary Proposals and therefore this bit of legislation is just to regularize that particular arrangement. But, Sir, when we in this country reach a point where the Government is really, as I would describe it, scraping the bottom

of the bucket in order to haul in taxes well, then we are in a bad way.

I see no justification, Sir, for people who perform the ceremony of marriage being called upon to pay a registration fee. It, in my view, reflects the preoccupation of the Government with collecting fees and taxes from almost out of any kind of activity that one could think about. And one must wonder, where will this finally stop.

It is, in my view, Sir totally vexatious, and, really, I can only describe this bit of legislation a complete waste of time; a complete waste of time to occupy the attention of the Attorney General's Chambers to draft this bit of legislation, and to occupy this Chamber and the House of Assembly in approving it.

I really do not see the necessity for having to even consider this, and I think, Sir, it is a reflection, in my view, of a complete lack of ideas if this is being used to collect money.

After all, how much money is going to be collected by this particular measure? I doubt very much that you would collect, annually, anywhere in the vicinity of \$50,000, but the time which is going to be spent on this collection and the preparation which is necessary for this, could be, in my view, spent in a much more productive manner. That is one reason why I cannot really agree with this particular bit of legislation.

Secondly, I think that it is punitive to persons who perform, after all, a very important social act, and I do not see any reason why marriage officers should be called upon to pay a registration fee.

SENATOR D. A. C. SIMMONS: Sir, I just wish to make a point in relation to Senator Greaves.

If one looks at the parent Act, Cap. 218A, you are not just a marriage officer because you declare yourself to be. The Minister responsible has to approve of certain categories of persons to become marriage officers, and then, having applied, you get approval.

You apply first to the Registrar, who sends the application to the Minister or the person designated by the Minister. When you have been duly appointed, you hold office until it is notified in the Official Gazette that you cease to be a marriage officer. The Act provides for publication of all marriage officers in the Official Gazette.

It seems to me, Sir, that rather than this being a frivolous social function, if the institution of marriage is to have any meaning, and if we are going to clothe it

with the kind of responsibility which we hope that the institution of marriage carries, then it is a serious appointment.

And in so far as there are also rights of appeal to a Judge in Chambers if you are denied appointment, or your appointment is revoked, that there are costs in all of this — application, the fact of the registration, the publication in the Official Gazette — there are costs to the Government.

I do not know how much they are going to be charged — (does it say, Sir? Perhaps Senator Trotman will tell us what the prescribed fee is or will be, if he has knowledge of it) — but some years ago, Government introduced a wide range of registrations for persons in self-employment as well as persons who were employed by third parties — the hawkers, the beach vendors, the lawyers, the doctors, most of the professional classes — and the fee under the Interim Traders Act, or whatever it is called, to catch itinerant vendors and so on, that fee is about \$5.00 a year. I would have thought that a situation like this would probably demand from Government a fee in the range of five or ten dollars a year.

I do not believe that it is a waste of time, or that Government is scraping the bottom of the barrel in this respect. Suppose it is \$10, and you would probably have about 200 marriage officers in Barbados. Senator Trotman has not given the figures, but I am thinking of every Anglican Priest or Catholic Priest that there is in Barbados then the other people, the Pentecost, the Wesleyan Holiness and that group of Christians — they have marriage officers — it will not obviously include the Magistrates, because they would already have been covered by virtue of the Attorney-at-law Rules.

If you get two or three thousand dollars, it does not make any significant impact in the Treasury. But if the Government is embarking on a kind of cost benefit analysis and costing out what work is probably involved by the person who has to keep this register and so on, I really do not think that it is unreasonable in the circumstances to charge a nominal fee, if that is the way the Government is thinking. But I cannot vouch for that, because I am not in there and I can only guess as to what is the reason.

It may be that marriage officers were one category of persons who had escaped the Act which was introduced in 1979, I think it was, which dealt with all other people in Barbados, who carry on a profession or vocation or trade, who were caught by that Act to register, and if this is just a tidying up job, again I think it falls in the general principle. I would like to ask Senator Trotman if, perhaps, that is the intent.

We heard some time ago, when that Act was introduced, that that legislation was passed with a view to

the compilation of a directory of services that were offered in Barbados. I have not heard anything about it since.

What we were told then was that all the carpenters and the masons would be asked to register and a big directory would be compiled so that if anybody wanted a carpenter or mason, or whatever, he would know where to get information from, in relation to a plumber or mason or some specially skilled person.

I have not heard what progress has been made towards the publication of this directory. I know the money is being collected, but I have not heard what progress has been made. Perhaps we can have some enlightenment from the Minister in his reply.

SENATOR THE HON. O'B. TROTMAN: Mr. President, the last Senator has forgotten the provisions of the Budget, therefore I think I can possibly remind him generally of the fees which were spelt out in the Budget Debate.

Just for the memory, Sir, the registration fee for marriage officers is \$25 for nationals and \$50 for non-nationals. The annual registration fee is \$25 for nationals again, and \$50 for non-nationals.

For the first time, we are going to have a proper register of marriage officers kept, and at least one or two clerical officers will be involved using some of their time in doing day to day executive work and this kind of business.

I do not think you can expect to have a service without some sort of payment for it. Nothing happens for free, if you get a service you have to pay for it.

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

On the motion of Senator the Hon. O'B. TROTMAN, the Senate resolved itself into a Committee on the Bill, Senator the Hon. J. C. W. WICKHAM in the Chair.

Clause 1 was called and passed.

Clause 2 was called.

MR. CHAIRMAN: It is proposed that Clause 2 stand part of the Bill. Senator Greaves.

SENATOR E. E. GREAVES: Mr. Chairman, I just want to question the wording of 2 (1C). The language here seems to be a little inelegant and I am wondering if a better construction would not be as follows:—

"A marriage officer who does not comply with this section and who solemnizes a marriage during his non-compliance is guilty of an offence"

et cetera, et cetera, instead of:—

"Where a marriage officer who does not comply with this section solemnized a marriage during his non-compliance he is guilty of an offence....."

This section does not seem to read smoothly. I would think that it needs a little brushing up and I would like to suggest that this be done.

I do not know if you get the point I am making. It really does not make sense. (Aside) Or maybe, even take out, "who":

"Where a marriage officer does not comply with this section...."

No, no.

I would suggest that we take out, "Where". In the same way as in (1B), where you start off with:—

"A marriage officer registered"

I am suggesting that (1C) should also start off with:—

"A marriage officer"

and we can do the adjustments to make it read well. It is clumsy. (Aside)

I would think if you have:—

"A marriage officer who does not comply with this section solemnizes a marriage during his non-compliance is guilty of an offence."

SENATOR D. A. C. SIMMONS: The answer is very simple, Sir. Put a comma at the word "non-compliance" (Aside) A comma at "non-compliance" and it would read a little smoother then. (Aside: "Solemnized".) Yes, where he has done the act. "Solemnizes".

Mr. CHAIRMAN: Senator Trotman.

SENATOR THE HON. O'B. TROTMAN: Mr. Chairman, we seem to have a sequence of tense problems and I promise to draw it to the attention of the Honourable Attorney-General so that they can correct it as a grammatical error rather than have an amendment.

The question that Clause 2 stand part was put and resolved in the affirmative without division.

On the motion of Senator the Hon. O'B. TROTMAN, the passing of the Bill was reported to the Senate and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motions of Senator the Hon. O'B. TROTMAN, the Bill was read a third time and passed.

BARBADOS NATIONAL BANK (AMENDMENT) ACT, 1982

Order No. 7 was called — To move the Second Reading of a Bill to amend the Barbados National Bank Act, Cap. 322A.

Mr. PRESIDENT: Senator Barrow.

SENATOR THE HON. N. A. BARROW: Mr. President, the legislation before us is indeed quite simple and straightforward and I therefore intend to deal with it as such.

The Bill has the following features: it proposes, Sir, to separate the functions of the Chairman of the Board from those of the Chief Executive of the Bank; it proposes to provide for the appointment of a Chairman and of a Deputy Chairman by formula different from that in the existing legislation, and it proposes to redesignate the office of the Chief Executive of the Bank as Managing Director instead of President under other amendments which are consequential on that.

There are other features, but I wish, first of all, Sir, to deal with those features which relate to the improvement of the management structure of the bank.

The fact is that the bank, in the short period of its existence, has established, as far as Government is concerned, that the management structure in place at that time, from the time of its inception up until now, was a management structure which needed to be modified. It has been given ample time to run and now we are satisfied that it is not in the best interest of the bank to combine the functions of Chairman and Chief Executive. So that really is what that change is about.

In fact we can look, Sir, at Section 8 which will now read, "there shall be a Managing Director who shall be an officer of the bank; a person of experience in financial matters," and so on, and so on. We can see the changes which are set out there for the change in management structure.

We believe, Sir, that if the position obtained at that time, the time of its inception and up until now, which we are now seeking to introduce, then one of the things with which the bank was afflicted might not have been possible, that is, the very rapid and substantial growth in

staff in the bank. I believe that Barclays Bank, with many divisions throughout the Caribbean, was able to operate a head office of about the same size; if not a bit smaller, than the head office of the Barbados National Bank. And we believe that if the functions of the Chief Executive and Chairman were separated, as indeed they usually are in this part of the world, then the checks and balances that need to obtain within the system might well have been brought to bear on proposals for such rapid, and, perhaps, not quite justifiable staff increases, for one thing.

We believe that this is not the season, incidentally, Sir, for running down the bank. But you set it up; there is a period, Sir, during which you watch how the bank operates, and if we are satisfied that there need to be adjustments, then we have to come and make the adjustments. So this Bill is a means of making adjustments in the management structure.

This Bill, Sir, also seeks to exempt the bank from the payment of certain taxes. If you remember, Sir, in the principal Act there is provision for the bank to pay any surplus into Consolidated Fund and this is the proposal which is used in these institutions. I think it is perhaps a little more than a month ago that we came with amendments to certain institutions including the Central Bank on this same tax point. So we are treating all of these institutions precisely the same way.

The other aspect of the amendment, Sir, concerns, on the one hand, implementing — what is now, I think, quite clear, and that is that although initially it was intended that the Development Bank should form a division of the National Bank, the experience which we have had has established that it would be better for the Development Bank to continue as a separate institution.

It might, perhaps, have been thought at some point that it would have been impossible to get the Development Bank to employ proper practices unless it were brought within the ambit of the larger national institution. But time would show that it was possible, by more professional and responsible management, for the Development Bank to clean the stables and establish a first class pattern of conduct, and to do the significant job that it is now doing. I think the hand of Senator Seale proved to be a more responsible one than the hand of the previous chairman.

The big thing in this Bill, Sir, has to do with the responsibility which the Barbados National Bank has, that is, it is rightly recognized as an agency for funding the continued existence and progress of the sugar industry. This might in itself have been something that would have allowed a particular deficiency to have gone unnoticed had it not been for the fact that sugar has had some very hard times.

When you reach a situation where 68 out of 110 sugar estates are really unable to repay, and when it reached a situation where we don't look at things like in the United States where people are having to close businesses down left, right and centre — we would like to keep businesses open and keep people employed as long as possible — and where it is as fundamental an industry as the sugar industry that is under discussion, we have a national duty to ensure that that does not close down. Horror of horrors if that were to happen.

The point is that the National Bank has been carrying by far, taking all the banks together and all their assets — those who, with their very high deposits, can make the National Bank with its \$150 million look like a joke — taking all the banks together, it is carrying a disproportionate load, in terms of the sugar industry.

I noticed in this morning's paper that one banking institution is complaining that they cannot put money into the mortgage market unless Government does something to ease the restriction and they are talking about easing a restriction, which they regard as a restriction on them, that they cannot lend money for mortgage for more than 12 percent.

I wonder what the poor Barbadian trying to buy a house would regard it as if he had to pay more than 12 per cent for mortgage. And we certainly do not like the idea that you have to pay as much as 12 per cent for mortgage money. But there are certain economic realities and the rate cannot be lower than that.

But the people who have seen banking in this country as a means of making a lot of money through consumer durables, have never carried that share of the weight of the sugar industry which the Barbados National Bank has been carrying, and the problem is that both the Sugar Industry Agricultural Bank and the Agricultural Credit Bank had far better security, when they lent money to the sugar industry, than the Barbados National Bank was at first given.

The most important part of this legislation, therefore is to restore the Barbados National Bank to that level of security, in relation to the sugar industry, which was enjoyed by the former Government lending agencies — the Sugar Industry Agricultural Bank and the Agricultural Credit Bank. It is a protection that the bank should always have had, it is a protection, however, that the draughtsmen did not put in the Bill when they drew the legislation for the establishment of the Barbados National Bank.

Since the bank has been playing that outstanding role in keeping the sugar industry alive, it has been faced with greater risks, because of the bad times sugar is now

in, than any other bank in Barbados. And it is in that light that we must see the performance of the Barbados National Bank, because when we look at it, Sir, the National Bank makes money on its commercial transactions. It is because of the heavy agricultural portfolio that the bank has been losing money.

In short, you can say that other banks and private institutions, which do not have the same responsibility overall to this economy, are in a position to look at their profit and loss position and to continue to make healthy profits simply by staying completely out of agriculture, or going in in a very limited way.

One of the reasons for having national financial institutions is that they recognise a national responsibility and will make the kinds of investments and underwrite the kinds of projects which the straight commercial banks are not prepared to underwrite. I mean, after all, Sir, that is what the economy is about.

If we have to rely entirely on foreign banks, we know very well that in the same way that if a private man is running a transport system he will make money out of it because he will not give service to areas where he cannot make money; in that same way, the private banks can leave areas out or pay some sort of lip service to their servicing, and continue to make money.

But where there are national interests involved, in the same way that a Government will have to say that the people in Pie Corner have to be provided with transport in the same way as the people in Martins Bay, St. John, whether or not they are money-making routes, and that all the transport is not to be provided from Belmont Road to Nelson, which must be the best and most lucrative route, in that same way financial institutions which are national financial institutions, while being run on sound commercial lines, must recognise an area of activity which is theirs, and which they have to perform, because of their national perspective and because of their national commitment — which other institutions may just wish to pay lip service to and leave alone.

That is why, Sir, when the facts indicate that had it not been for the agricultural portfolio, the profitability of the bank will already have been quite clearly established, then there is absolutely no cause for alarm. All we need to do is to ensure that the bank be not put in positions where, for example, to protect its investment in agriculture it has to buy out a mortgagee. We believe that the bank must have the same priority ranking for its loans that the Sugar Industry Agricultural Bank and the Agricultural Credit Bank used to have.

I do not propose to make any further statement at this point. I believe that I have dealt with what the Bill is

meant to cover and that I have sought to give some explanation of why this is so.

There is one other point which relates to the Registrar. The point here is that the record which the Registrar is required to keep really related to all loans.

Again, that was never the intention. It was really meant to relate only to the agricultural loans, not to all loans.

It is the bank's business to keep its own records and not the Registrar's business to be keeping loan records for the bank. Therefore, you will see that the new provision here comes under the agricultural provisions rather than under the general loans.

The purposes, therefore, Sir, of the legislation would be to give protection to the bank in the exercise of its agricultural portfolio, recognising that only the nation's bank — let me say this country's bank — it is the bank that is owned by all the people — only that bank is going to give the protection, the encouragement, and the investment which is required to a significant industry; secondly, that the management structure of the bank should be improved; and, finally, that the bank be exempted from the payment of certain taxes.

I move that this Bill be read a second time.

SENATOR E. E. GREAVES: Mr. President, a lot of discussion has taken place on the Barbados National Bank, and we are here today looking at some amendments to the parent Act, presumably to improve the management of that particular institution.

There are a number of matters which I would want to refer to, because I think that Senator Barrow, in his introduction, like, I believe, the Rt. Hon. Prime Minister in the Other Place, has adopted the attitude of distancing himself and the Government from any failure on the part of the administration.

If the National Bank were an institution which had been going great guns, we would have been hearing a lot about how the 'Great Combination' has been able to set up an institution, the likes of which never existed any part of the world. But because the Barbados National Bank has performed in a very clumsy and inefficient manner, the Government will find all sorts of excuses, and, of course, separate themselves, and throw all of the responsibility on the management of the bank.

Hear Senator Barrow. When he is talking about the National Bank and the responsibility which the National Bank has undertaken relative to financing the sugar industry, he says that this Act seeks to restore to the National Bank that level of security in respect of the

sugar industry, which was enjoyed by the Sugar Industry Agricultural Bank. And Senator Barrow would have us believe, Sir, and as a matter of fact he said — he tried to pass it off in a very offhand manner — “The draftsmen did not include it in the parent Act”. The draftsmen.

Sir, I am not going to accept that. I am not going to accept that as any reason for its non inclusion.

It was the policy of the Barbados Labour Party Administration, when the National Bank was set up, not to include this. It was not an oversight. It could not have been an oversight, and if it were an oversight, it demonstrates very clearly the total inefficiency of the Government in dealing with a matter like this. I cannot accept that kind of excuse. Sir, this is a very, very serious matter.

Now, let us look at some arguments which have been advanced by Senator Barrow, and the account which I saw of arguments produced in the Other Place, concerning the separation of the functions of the Chairman and the President, as it is still called, until this amendment comes into operation, but let us say, the ‘Managing Director’ which will be the new name for the Chief Executive.

Now, again, it was the Barbados Labour Party Administration that set up this — and they are now arguing that it is a bad policy, it was a bad policy to put the responsibility of the Chairman and the Managing Director or the President in the hands of one person.

Senator Barrow suggested that it is not normal practice in this part of the world for the Chief Executive and the Chairman to reside or to repose in the hands of an individual.

I am saying, Sir, that this is not so. Indeed, if one were to follow that line of argument, then I would expect that the next time the Honourable Senate meets we would have an amendment down here to separate the functions of the Chairman of the Central Bank from that of the Governor of the Central Bank, because, Sir, the Governor of the Central Bank is also Chairman of the Board of Directors. Is he saying that that is a bad policy?

In a number of businesses — I believe Senator Seale would talk about that, I would not even bother about that — but in businesses in Bridgetown and in other parts of the world, in the Caribbean also, admittedly the Caribbean is part of the world, you would find that this kind of approach is adopted. So it is nothing strange, as Senator Barrow would have us believe. So we do not want

SENATOR THE HON. N. A. BARROW: On a point of elucidation, Sir, if Senator Greaves would give way. I

would obviously have to take a whole lot of time replying to this point if he continues going down this line.

I am obviously, talking about the Government corporations, state corporations, when I make the point. And as far as I know — and I think I know pretty well what corporations are provided within those chapters, Sir — the Central Bank, now that we are changing the BNB will be the only exception.

Obviously, the Senator does not understand the context within which I am speaking and obviously I could go on and say — if you would allow, Sir, I would make the point now and be done with it — that obviously the model used for the BNB was the Central Bank’s model. And although that might be suitable for the Central Bank and has worked successfully with the Central Bank, it has not worked successfully with the BNB. It is as simple as that.

SENATOR E. E. GREAVES: So what Senator Barrow is saying essentially then, is probably that it is not so much the structure that is in fault; it is the way in which people who have to determine policy and give directions are able to function within that particular structure. (Aside) Sir, I do not think I should be disrupted in this kind of way by Senator Barrow. (Aside)

I therefore cannot understand how he could argue that this existing arrangement is not in the best interest of the bank, and I would have to belabour this point, because I think it is a very important one.

The Government, through the Minister of Finance, has responsibility for the bank, and if the Minister of Finance had been performing his job efficiently and, as I have said in the past and will repeat and will continue to say it, if he knew what he was doing, then I submit, Sir, that the kind of problems which we have seen developing in the Barbados National Bank could not have and would not have taken place.

The Act makes provision for continuous reporting ever so often, I believe on a quarterly basis, to the Minister of Finance and Planning, and if, in the light of that, these problems have developed, then, by implication, I am submitting that he has continuously sanctioned all of the problems which have taken place in the bank.

You know, Sir, when an election time is coming up and we are into an election fever, all sorts of things are allowed to happen. It is only after an election that we then begin to get the knife coming into operation. I think this is what has happened here. I am satisfied that this is what has happened.

Corrective measures should have been taken long before. But I do not suppose that it would have been good politics, according to the managers of our economy,

to have taken corrective measures at that time, because we were in the heat of an election campaign.

I am saying Sir, that too much politics have gone into the Barbados National Bank and that is one of the reasons why the bank is in this position. Too much politics, as far as the Barbados Labour Party is concerned — too much Barbados Labour Party politics have gone into the bank. Too much, too much. It is a very serious matter.

And I would say this, Sir, I believe that it is only in Barbados that a commercial bank would remain open a day after the disclosures which were made by the Prime Minister about the inefficiencies of the Barbados National Bank. It is only in Barbados that the bank would remain open, because banking has to do with confidence, and when confidence is destroyed, as has been done in this particular case, then that bank would find it very, very difficult to regain the confidence of deposits.

It would be interesting to find out whether or not there has been a run on the deposits in the bank. I would not be surprised if people have not had second thoughts and therefore attempt to shift their money, because their confidence has been destroyed in that particular institution.

I would like to say at this point in time, less I be accused of not being interested or in favour of a national bank, I think a national bank is a concept which is useful and important for any country, and the idea of a National bank, as I said when this was introduced, is something which we ought to encourage, because, after all, if foreign banks can come in and make the kind of money they make in Barbados, then we should be able to have an institution set up which can also provide the same kind of services and keep whatever profits are made of their operations within our country.

So, I just want to say that it is a very important step. I know that everybody would see eye to eye on this point of view, and certainly I know that within the Democratic Labour Party there are various views about banking and about the worthwhileness of a national bank, and whether a particular direction should not have been embarked on or not. The point is that, basically, the idea of a national bank is one which would be naturally supported in this particular exercise.

But what the Government tried to do when the National Bank was established was to incorporate all the existing financial institutions into the general super-structure of a national bank. And this has proved to be, I suppose, somewhat of a problem. Interestingly enough, the Development Bank was not included in this particular arrangement.

Now I do not know whether or not this has been as a result of the influence which Senator Seale wheels within the Barbados Labour Party. I really do not know.

What I believe, and indeed what I know, is that one of the major reasons why the Barbados Development Bank was not incorporated in the National Bank was because the World Bank, which had made loans to the Barbados Development Bank, insisted that the only way that they would go through with the loans would be if the Barbados Development Bank was separate and distinct from the Barbados National Bank, because of this very reason of management.

It did not see that the Barbados National Bank would have been capable of managing the Development Bank along with the other financial institutions in an efficient and effective manner. And that is why the Barbados Development Bank did not become part of the Barbados National Bank, and not because of the influence which Senator Seale has within the Barbados Labour Party, as we were led to believe.

Mr. PRESIDENT: Just a minute. I just want to keep in line of what has been said. Who led you to believe that? Was that said here?

SENATOR E. E. GREAVES: No, Sir.

Mr. PRESIDENT: Well you must be careful with what you are saying.

SENATOR E. E. GREAVES: Sorry, I did not say that it was said here. I said, "we were led to believe."

Mr. PRESIDENT: Well, who led you to believe?

SENATOR E. E. GREAVES: People.

Mr. PRESIDENT: I think that Hon. Members when they are making statements in here, should at least have a little authority behind them and not to spill out things that may or may not cause resentment, and which may be inaccurate. Just be careful.

SENATOR E. E. GREAVES: Sorry, I know that Senator Seale will not resent that statement.

Anyhow, so for Senator Barrow now to come and say — and notice how this was dealt with — that the experience which the Government now has, has shown that the Development Bank would operate better outside of the National Bank. That is the argument he is using — hind-sight.

So it is not experience which the Government has had with the National Bank that the Development Bank was not incorporated in the National Bank, but it is fortuitous that, for one reason or another, it was not included. And I would suggest that they would be foolish now for them to include it into the general operations of the National Bank. It would be.

Sir, this question of responsibility for the very sad state of affairs at the National Bank is something which causes some very serious concerns to me.

You know, one wonders sometimes really whether the Board of Directors use to meet, and what kind of decisions use to be made.

One must also wonder, as I said earlier on, whether the Minister of Finance used to receive reports and what were his reactions to the 'going-ons' at the Barbados National Bank. Because if this kind of thing is allowed to continue, then I think we are in for some very bad times.

As I said, I do not necessarily agree that separating the functions of the Chief Executive from that as Chairman is going to make any difference in the administration of the bank, but I would hope that the overall administration of the bank will be improved and that we can get a much better picture next time when a report of the bank is made.

It was not mentioned here, but certainly I believe that I can allude to it, Sir, since it was a point which was made in the Other Place, in the Lower House, relative to the proposed reduction of the staff of the Barbados National Bank by, I think, 10 percent. I think the Government proposes to reduce the staff by about 30 or 40.

Now, Sir, I think that in these very hard and difficult times, it is a most devastating act on the part of the Government to throw people out of work in this manner. I believe that an alternative approach could have been used in this particular exercise, because a number of the people, as I understand it, are people — one or two of whom have senior positions in the bank — who, in any event, I doubt very much, if they are thrown out of work in the current hard economic times, when unemployment is rising, would find another job so easily.

I say unemployment is rising, although I believe that the Government would be able to produce figures to show the contrary. But nevertheless, it is generally accepted that we are into very hard times and that it is very difficult to find a job in this country.

I would therefore have thought that the Government would have used a more humane approach

and probably try to redeploy some of the people, to involve them in other areas of the institution that would eventually lead to an improvement in the efficiency of the organisation, or would have adopted a policy, which is adopted in some companies, of attrition.

I know, for example, that Cable and Wireless, when faced with a problem of technology overrunning the existing systems which they had operating at that company, rather than laying off, adopted a policy of freezing further recruitment and allowing attrition to take place. It would seem to me that this would have been the much more humane approach in this particular matter.

Also, they could have probably looked into the bank at maybe some people who might have been nearing retirement — I am sure there might be one or two in there — and you could have given them early retirement so as to allow the younger people, who still have a lot of work to do and a lot of contribution to make, to continue to function within the bank.

We heard just last week that one of the reasons why the Government is spending \$30 million, I think that is the amount, to buy out the drilling operations of Mobil was to save 40 jobs. What I am saying is that the Government, in my view, could have been a little more humane in this particular area, rather than throwing people on to the unemployment market now.

I know that it will be argued that they will be compensated, and they will get the equivalent to severance pay and what have you, but that is beside the point.

I think people would prefer to have a job in these very hard and difficult times, to know they have some money coming in on a monthly basis, rather to be given a lump sum of money and not having a job, or the prospects of a job, for a long time to come. I do not think this economic morass we are in will be cleared before another four or five years.

Senator Barrow indicated towards the end of his speech that there was no cause for alarm. I do not know, hearing the reports and the comments on the Barbados National Bank coming from the Government, who in their right senses really would not be alarmed. And no amount of soft soaping or attempts to paper over, not some cracks, but some chasms, will satisfy the people of this country. I think the Government has to do better than that.

I would like to see the National Bank function in an efficient and in an effective way in this country. It can be done if proper policy decisions are taken, and directions given as far as the administration is concerned.

There is no reason why a Minister of Finance, or any Minister for that matter — and I am not suggesting that this is the case — should want to pry into the affairs of the bank beyond giving policy directions and getting reports on a regular basis on what is happening in the bank. Let the day-to-day administration of the bank be run by people who are put in charge, not by people who have some knowledge of banking.

I believe, also, that one of the problems in the National Bank really is that they need more people in there who know something about banking and who have experience in banking. I would hope that we will be able to really get the bank in a situation where it can make the kind of contribution that it is envisaged to make.

A lot of mistakes have been made. The Prime Minister, the Government, Government members and anybody who supports the Government cannot run away from accepting the responsibility for the failure of the National Bank up to this point in time. It is entirely their responsibility and they have to accept it, they have to face up to it, and I would hope that this is recognised and that we do not see any attempt to cast the blame on other people.

Sir, I remember in 1976, when the Barbados Labour Party won the Government, one of the then Ministers — he is no longer a Minister — making a point to the effect that the Barbados Labour Party Administration was not like other Administrations. "We will not publicly get up and criticise people who have to administer the departments or institutions under our portfolio. We are here to defend them." But that kind of policy seems to have gone out of the window, gone overboard, because there is a failure.

If any activity in Government is successful, I would like to see the Rt. Hon. Prime Minister and Ministers give credit to people who administer it. But, oh no! When it is successful, all credit will come to them, and when it is failing, when there is a lot of public criticism, well, it is not us, it is the people who run the affairs of the institution or the department.

We cannot have it both ways. You have to take the licks when they are coming, and if there are any praises — and there are few of them — well you take them. But the point is, stand up and take your licks like men and do not run away like cowards, as you are doing in this particular exercise.

Mr. PRESIDENT: Senator Williams.

SENATOR J. E. D. WILLIAMS: Thank you, Mr. President.

Senator Greaves sat down making the point that Government should take its licks and should not run

away. Mr. President, it is primarily because Government has no intention of running away from its responsibilities that this Bill is here in the first place.

You are talking about a Bill which seeks to restructure the National Bank. But one of the first points I really want to make is with reference to what Senator Greaves had to say.

He was suggesting that people in this country have no confidence in the National Bank. Well, in truth and in fact, the figures do not seem to agree with Senator Greaves' view.

If you look at savings via the old Savings Bank back in 1961, savings stood at some \$17.8 million. Between 1961 and 1976, savings just rose to \$29.4 million, approximately. Between 1976 and 1978, even before the establishment of the National Bank, people has so much confidence in this Government that savings rose to \$44 million during that two year period. And, now, the last estimate is in the region of \$150 million in savings.

Mr. President, that is indicative; that between 1978 and 1981 savings could have reached that level. I think in 1981, it was in the region of \$130 million and it is close to \$150 million now.

I do not think that it is fair to say that people in this country have no confidence in the National Bank. As a matter of fact, you will find that the National Bank has been the salvation of a number of small businesses in this country. When people went to other banks and were refused loans, they ran to the National Bank.

But what hurts me is that now, when there is so much criticism of the National Bank, that those same people, who got assistance via the National Bank, are not prepared to stand up and defend the National Bank.

The established banks have a different concept of portfolio lending policy. Those are strictly in terms of profitability. If you go to them and you can show them that it is profitable or it is viable to enter into some loan for some business, they will give you.

But there are certain considerations which have to be taken into consideration by any national bank and I think the Honourable Leader of the Senate made the point earlier. You have social and economic considerations which must come into any lending, any financing of any project, by a national bank.

For argument's sake, we merged the Agricultural Credit Bank with the National Bank. And I firmly believe it is one of my suggestions — that there should be a disaggregation of the two, purely in terms of how they are funded and how they are run. But the point remains

that the bank has to make sure, at all times, that it implements policies that are consonant with the development of the country.

It makes no sense coming in here suggesting that the people in this country are not satisfied and they do not have confidence in the National Bank. The evidence is there to show.

I do not have any intention to labour too long on trying to criticise the bank. I think that the structure of the bank itself, the management structure, is in need of altering.

There are certain areas within the bank, the commercial sector, that makes a profit. I think the last figures that I saw for a six month period, the net profit was something in the region of \$2.5 million. The bank indeed, is making money.

But there are one or two areas that have to be looked at. For instance, in the case of the management, we are talking about restructuring the management side of the bank.

To keep the head office at the bank right now, it takes something in the region of forty-four cents in every dollar profit that is made by the National Bank. I do not think that a bank that is now trying to catch its feet should be burdened with a situation where forty-four cents in every dollar earned goes to support a head office with the kind of structure that it has — a President, a number of Vice-Presidents, a Secretary and a lot of graduates who, indeed, were not even bankers.

If the graduates that were picked were people who were versed in banking, I would understand. But a lot of them just came out of the university and were given jobs. They knew absolutely nothing about banking.

I am saying that the person at the top of that National Bank has, in my opinion, to be a banker. He must understand the tenets of banking.

The National Bank, unfortunately, within recent times, was not able to capitalise on certain opportunities which existed, which are existing now, which other established banks were able to capitalise on.

For instance, we have the situation where, as I mentioned, savings are in the region of \$150 million. The interest rate on savings went from 4 percent to 8 percent. So clearly, at one swoop the liability of the bank increased by 100 percent because the interest you have to pay on those savings would have doubled.

In the meantime, the interest rate on lending went from 8 percent to 12 percent; in some cases, it was even

13 percent. The established banks had already reached their break-even point in terms of lending the amount of money that they must lend out for the bank at least to break even in the case of the National Bank this was not the case. You are talking about an institution which needed the ability to lend to reach that break-even point, which is estimated somewhere in the region of \$100 million. But before it could reach that figure, you had restrictions coming from the Central Bank which curtailed lending, but at the same time, you did not have the associated offset, in terms of the amount of money you had to pay out on interest rates on your savings deposits. So again, you will find that for the National Bank that was indeed unfortunate.

I believe that with the National Bank, the Central Bank has to think about considerations over and beyond what you would take for the normal established banks, because they are already established, and you cannot stifle the growth of any fledging institution. I believe that this is one thing that should be looked at.

When the National Bank was established, you would also find that a number of debentures — as a matter of fact, low yield debentures — were taken over.

This, again, has been problematic for the bank. The money that they have tied up in low yielding debentures could very well have been loaned out at higher interest rates.

These are things that are not taken into consideration, but you will find that the bank itself has to take considerations which, normally, a banking institution would not accept — but you do it for the good of the country. And that is why we will maintain those debentures, and from time to time when they reach maturity, you give them up.

If I can make one or two suggestions, about the bank in itself, I believe that, in the case of lending, the loans departments at the various branches should be centralized.

You are talking about a bank that has started out in recent times. Therefore, you will find that your resources are limited, and rather than having them disbursed at a number of branches, it would be better — and some of the established banks in recent times have even taken that decision — to move the loans departments from the other branches to the main branch. The Bank of Nova Scotia is an example.

I believe, in the case of the National Bank, consideration should indeed be given to centralizing loans — at least loans above a certain figure, because, again, you don't want people getting small loans of maybe \$1,000 or

\$2,000 having to go to one central location. But where you have loans above a certain figure, there should be some centralizing of the loans department.

If this is done, you would find that those individuals who have a great deal of experience in lending policies would be able to train a lot of other people, and a lot of experience would be gained from those people who don't really have that degree of experience, because you are talking about a bank that still needs people who have been involved in banking. Like I said, even at the top, the individual was not a banker, and it permeated throughout the bank.

I believe that within the bank itself, now you talk about the bankers and the non-bankers, it is necessary to look within the bank and distinguish who can be considered bankers and those who can be classified as non-bankers or people without banking experience, and there must be some kind of training programme to upgrade those individuals who need such assistance.

Within the bank itself you also have personnel problems. You are talking about a top-heavy management, but there are certain areas that need to be upgraded in the case of personnel. I know the Senator on the other side shares the same view as myself when we talk about an importance giving to the whole question of personnel. And that, to my mind, needs to be looked at within the bank.

I think I made the point previously that the expansion of the bank having a number of branches outside of those which were established initially, in a sense, I believe, was a shortcoming.

I see that they now have a bank in Speightstown. I suppose the view is that with the coming of the Cement Plant a lot of transactions I suppose would take place there.

But then, again, you have to make sure that the actual growth of the institution is consonant with your physical expansion. While you should not stifle the economic expansion of the bank itself, at the same time you have to make sure that your physical expansion is indeed in consonance with the rate at which you are developing the institution.

Like I said, the Agricultural Division should be separated from the bank in terms of funds that are used for loans. You will find that the commercial side has been indeed carrying the agricultural section, and if you want, at all times, to be in a position to identify problems, I think it is necessary to separate entities so it will be easier to identify the problems. I think that this is something that should be seriously looked at as a policy decision.

The Finance and Trust Divisions, I see no reason why the two cannot be merged together. From reports, the

Trust Division has been making money. But I think that that and the Finance Division can be amalgamated, and you will find that it would result in savings to the bank.

I think that one of the things that the bank needs more than anything else is for someone within the bank itself to get up and defend the bank from time to time, and this is a very serious thing.

You will find, for instance, in sugar, if there is some problem in the sugar industry, somebody is always there to get up and defend the position taken by the sugar industry. It has someone to put its position. Within the National Bank, in recent times, nobody has come forward to put the position of the bank.

At every available opportunity, like Senator Greaves has done, all attempts are made to paint a very black picture of the bank. But the bank, indeed, has been doing an extremely good job.

I said earlier that small business people in this country found it very difficult to get loans — I am talking about during those times when Senator Seale was not at the Barbados Development Bank — but now that there is a National Bank, people can get loans when they are rejected by other banks. But again you don't even get these people, who have benefitted from the bank, coming out and trying to defend the National Bank.

Another problem has to do with bad debts and bad debts at the National Bank even went beyond the establishment of the Barbados National Bank. When the portfolio of the Bank of America was taken over by the National Bank, subsequently a number of debts had to be written off as bad debts. Even on the agricultural side debts were written off as bad debts.

But the point has to be made that a department ought to be set up to look into the question of the collection of bad debts. If you hypothetically have a situation where \$4 million, and I am using an arbitrary figure, has been uncollected; if you only use 10 per cent of that \$4 million to collect those debts — someone suggested \$15 million — you will find that indeed it is still a worthwhile exercise, and I think that it is necessary for the bank to have some kind of department looking after those debts which were found to be delinquent.

I think another point that should be made is that when you have a national bank, a national bank should be dealing with all Government businesses. It makes absolutely no sense in the National Bank having to compete with established banks for Government business. It should be a policy that we will do our transactions via our bank, if we want to develop that institution.

In a place like Trinidad — I do not want to denigrate the country itself by saying you might probably find inefficiency rampant — but their bank makes money. The National Bank in Trinidad makes money, and the one here can make money too, but do you know what happens? In Trinidad they do all Government business, at least more than 90 per cent.

It would be interesting to know how much of Government's business is done by the National Bank, and I am saying that we should not be there competing with any other bank for Government business. There should be a policy on that.

I believe every effort should be made to maintain the confidence of the community. Right now I have no doubt in my mind that people feel happy to do business with the National Bank, but at least we have to make sure that we are giving them a service, and a good service. I thank you.

SENATOR D. A. C. SIMMONS: Mr. President, I will begin by declaring an interest. I have a retainer for one section of the Barbados National Bank, the mortgage finance section, in my private and professional capacity.

Having due regard to the potentiality of a conflict of interest, I am going to be very careful in what I have to say, so to some extent I find myself bridled by my present attachment, and on the other hand I would like to have spoken for about three hours on this matter.

Honourable members need not fear what I have to say, Sir. I will get through by half past four, having regard to those special circumstances.

I think it is important and timely for us, in an examination of the Barbados National Bank after four years of existence, to go back to the days when it was set up to get some clarifications. I have with me the Hansard Report when the National Bank's Bill was up before the House for second reading, and I have the Official Gazette for 1978, Tuesday 7th March, 1978, and the debate begins at page 472.

Let us be fair, Sir. In the face of advice, warnings and criticism, the Government decided then to incorporate under the umbrella of the Barbados National Bank a number of other banking institutions, some of which had a developmental role. These seem to have been the Development Bank, the Sugar Industry Agricultural Bank, the Agricultural Credit Bank, and the National Housing Corporation, the Public Officers' Housing Loans and things like that, Sir.

Mr. Branford Taitt said this, on page 475, Sir:

"I am also very pleased to see that the institutions which have been included in the Second Schedule will include the Barbados Development Bank, the Savings Bank and the Sugar Industry Agricultural Bank."

It is now history that the Development Bank ultimately did not join these other institutions in the Schedule. It was amended out at some later point.

On the day that the Bill was passed, the Opposition spokesman on financial matters — Mr. Errol Barrow was not in the House at that time, Mr. F. G. Smith was still Leader of the Opposition — the Opposition spokesman on finance welcomed the inclusion of the Sugar Industry Agricultural Bank and the others under the umbrella of the National Bank.

In the same debate, Mr. F. G. Smith called upon the Government not to pack the Board with "yardfowls", as he called them, Sir, political hangers-on and people who get close to a Government and become parasites to a political party for various reasons.

I think the Government heeded that, to the extent that the Board of Directors that was set up seemed to have been comprised of a cross section of persons who could not be called political yardfowls. Mr. Lewis was the Chairman, Mr. Oliver Browne, who was then in Government as Solicitor General, Mr. Collymore — I know Mr. Collymore by recognition but I am sure Mr. Collymore is not of any particular political association, or, if he is, would not express it in a silly manner like other persons — there is a Mrs. Austin Dyad — I now realise who this is, Mr. Charles Alleyne's wife — Mr. W. L. Blackett, Permanent Secretary, Finance; Mr. Collis Blackman, Employers' Confederation; Sir Carlisle Burton, Miss June Clarke, who is now our Senator June Clarke; the late Senator Colin Deane, Mr. Rudolph Hinkson of Cottle Catford, an Attorney; Mr. Neville Osbourne, Mr. Bentley Storey.

I do not believe that by the stretch of anybody's imagination, including a Dem, Sir, that that team could be characterised as a team of yardfowls.

So, in keeping with Mr. Smith's warning in 1978, the Minister of Finance, who has the responsibility for the nomination of persons to that Board, I think — I am sure — as far as possible would include on the Board not only a wide cross section of persons but a cross section of persons whose integrity and bona fides could not really be impuned.

So the bank started with a good Board, certainly as it appeared on paper, Sir, to the extent that the Opposition, in 1978, put aside their partisan, political robes and voted in favour of the establishment of this institution — everyone.

There were warnings, as I said, Sir, but the tenor of the speeches was one of support, because it was a national enterprise. Mr. Smith said:

"I too would like to add my good wishes to the Government for the establishment of this national bank. On issues such as this the public should be aware of the need for an effective and co-operative Opposition, and this institution, reading from the Manifesto of the Barbados Labour Party, and listening to their speeches to the people of this country, I must admit that they have been able to fulfill — they are honouring in one instance what they promised to do."

At page 477, Sir.

He then goes on to say:—

"As the Member for St. Michael South West has said, on the coming into force of this institution on the 1st April,"

Oh Lord, it was a terrible date:

"it will cease to be a project of the Barbados Labour Party, and it becomes our national bank; and I think that after all these years of being colonials, and after 11 years of being independent, this is a step in the right direction. I, for my part, wish it well."

Now Government in favour, Opposition in favour — the Opposition had to be in favour, because for years, Mr. Erskine Sandiford had been trying to persuade Mr. Errol Barrow to establish a similar institution and he refused consistently and persistently.

Now, Sir, we have to look at what is in 322. We have to look, having established the bank, at its management and administrative structure, because, perhaps, with many of the problems that revealed themselves in the last financial year of the Bank, this is the area where those problems lie.

The Minister of Finance, let us not run away from it, Sir, as the Minister under whose portfolio the bank comes, has to accept whatever blame or criticism or praise may be due from time to time in the type of governmental structure that we have in Barbados. We have a Westminster-type model, and he has to accept some responsibility.

But, Sir, the question is this, to what extent did the Act setting up this Bank give the Minister a constant area of intervention into the activities of the bank?

It will be found, Sir, that under the Act, and in my submission, the Minister in this case had very limited powers and functions — to such an extent, that I have complimented the Government on the establishment of

this bank, and the Insurance Corporation, in the terms that the Statutes have been drafted.

They are set up as statutory corporations and they are allowed a wide degree of autonomy and flexibility with an area of accountability, something that I have been campaigning for for years, Sir.

I thought at the time that it was a step in the right direction, and that the Barbados Labour Party Government was moving away from a situation of having itself high-bound by some of the strictures that affected the operation of statutory corporations under the DLP.

It may be, Sir, that there is need for an amendment of the legislation to give the Minister an area of functioning that is closer to the actual operation of the bank, but that may be seen as unnecessary political intervention, and, indeed, there does not seem to be any attempt in this amendment before us today to so change the law to allow the Minister to get closer to it, Sir. So the basic structure which was set up in 1978 remains.

The Minister had the power, Sir, under the First Schedule, to appoint the Board of twelve — he did that — "from among persons of recognised standing, knowledge and experience in business — (It did not say "banking") — professional and academic matters". He could appoint a Vice-President to be Deputy Chairman.

I agree that banking is business but it did not say specifically "banking" or "in the business of banking". It might be fish- and pork business, Sir. It could well be that, Sir. But anyhow, Sir, we had that area reserved for the Minister, the appointment of the Board.

Now, specifically in relation to the lines of authority between the Minister and the bank, Section 28, Sir, of the Act, Cap. 322A says this:—

"The Minister may, after consultation with the President, give to the Board such directions in writing of a general character relating to the policy to be followed by the Bank as may be consistent with the banking, monetary and fiscal policy of Government."

"As may be consistent with the banking, monetary and fiscal policy of the Government." Not the bank, not the bank. The directions of a general character which the Minister of Finance may — "may", Sir, he is not obliged — give to the Board after consulting with the President relates to the policy to be followed by the bank, and these policies must now be in harmony with the banking, monetary and fiscal policy of Government.

So, he has a very limited — I wonder if they have looked at this recently — the scope of function for the

Minister is very limited; the area for the exercise of his discretion is very circumscribed by Section 28.

Apart from that, Sir, there is nowhere else that I can find, on a quick run through of this Act today, where the Minister's powers exceed the appointment of the Board and the discretionary powers, after consultation with the President, to give general direction, Sir, to the Board which directions must be in harmony with Government's various policies — fiscal, monetary and banking.

I believe, Sir, that in these circumstances, it is possible for the bank, and it was possible for the bank, to operate in an area largely unbridled and untrammelled by political interference.

I would disagree most strenuously with Senator Greaves, Sir, about his suggestion that there was, or there is, political interference in the National Bank.

I do not believe that there is any at the level beyond the President. And, under the Act Prime Minister and the President, can talk. But lower down in the hierarchy of the bank's administration, I do not believe that there is interference. Indeed, I believe that perhaps the Board is very shy to do business with people who appear even to be politicians. I tried to get a loan last year from the National Bank, which I have banked with since it started, Sir, for less than \$25,000 to invest in a project in Barbados with thirty other Barbadians. They gave me some big forms — statement of affairs — and I had to spend a night trying to think of every little thing I owned and owed to put on this form, Sir. I was assured, Sir, "Oh! no problem". I offered them my car which had no incumbent on it, which was valued at \$18,000, and gave the bank a bill of sale on it. And I was told, "No problem."

I went away and came back after a month away, Sir, and when I came back I was told that they were a little afraid — you know, you fellows who are in politics and so on, you know, and they did not deal with me! I cannot get a loan from the National Bank — no problem. I have not moved my account.

Sir, that was only to illustrate my belief that the bank, far from dealing in a positive way in terms of dishing out its money to politicians, as was the case of another commercial bank in Barbados — I am not calling any names — the Barbados National Bank is so conscious of its image and, perhaps, its role in this developing society, that politicians will find it difficult to raise a loan from them — certain politicians, like myself, Sir.

I think it would be unfair, Sir, for anybody to be over-critical of the Minister of Finance in relation to the running of the bank after they have read what are the

Minister's powers under the Act. I want to make that first point.

Sir, when this bank started, it started with a lot of goodwill; and, I believe then, a sense of commitment, because the bank was conscious of its role in a developing society. But I believe that the flood of deposits that the bank got initially obviously went to the heads of the people in the bank. Because I cannot understand how a bank of four years' existence, in a period where we have witnessed fluctuations in the international economic order since 1973, in less than four years has been behaving like Barclays Bank that was established for more than 200 years now. How can we behave in that way?

There is a rapid expansion of the bank's business into district banks — Wildey, Speightstown, Airport — too fast, in my view, before your foundation was secure. I might be totally wrong, but it looks like that to me.

If figures that I have heard mentioned, in the House of Assembly of expenses of \$5 million, virtually doubled within the last two years, I believe, Sir, gets to that situation, it must be clear that the bank was expanding too rapidly.

If you are going to expand rapidly, you have to know that on the revenue side there is going to be the same pace of investment to counter balance that expense. That has not happened. That is why I said that in trouble times in international recession one would have thought that the bank would have pursued a more cautious policy of expansion than perhaps they have.

There may be reasons — I am not party to any of these things, and I am not a banker — but it just seems to me that they were trying to go too fast and behaving like a bank which has been established for 200 years and has international support all around the place. I don't think that was the role of the National Bank.

I think the bank has done its image some damage in the community. Not the week before last when the Prime Minister was talking, but within the last year. There appeared to the public — and I have heard it expressed several times — I believe each one of us must have heard it — not two weeks ago; two weeks ago we knew the figures and the level of the problem — but months ago Barbadians were talking freely about the "show" that was being put on by employees of the bank — big cars, all kinds of allowances, like the big banks from England and America. How in this little place can a bank that is set up four years ago do that? And the public out there were talking about it.

They did not like it where you had so many Vice-presidents. We are accustomed to these presidents and

vice-presidents in Barbados, but they started in the law, you know — presidents and vice-presidents. Well what is in a name? But the name may also conjure up images to the Barbadians — he does not talk a lot; he sits and he thinks — and they were not happy with that kind of nomenclature that was being knocked around. And on top of it, the vice-presidents were seen — not only the vice-presidents — all kinds, at all levels — “ML” wherever you turn ML knocking you down — that is a car number, Sir.

But as I said Sir, I knew that that is going to be a problem because society was talking about it since last year. Senator Greaves with me, Sir. They were talking about it and, now, it is not a situation from which the bank cannot recall Sir.

If there has been careless — I say ‘if’ — I hope the Press can hear — I say if there has been careless expenditure or wanton expenditure, then you can haul in the reins of it and put yourself back on even keel.

When the accounts are examined, and I support Senator Williams on this, the basic problem with the bank is that the agricultural section has been pulling it down. But when the bank was set up we knew that the agricultural sector of the bank would have been, I am using an English expression, “dicey”. But Opposition and Government joined hands on that. I don’t want to hear them now. I read what Mr. Taitt had to say, Sir. If you hive off the accounts of the agricultural section, it would be seen — and I use Senator Williams’ words — that the bank is a viable operation.

So there is no reason for the general public not to have confidence in the National Bank. It is only necessary for the management of the National Bank to be a little more restrained, prudent and conscious of their public image in the future and to ensure that this confidence continues.

The bad debts situation, Sir, the debts from the Bank of America, talking to persons who have been connected with the National Bank, have not really been a problem.

It might look as if you are buying a pig in a bag, but over time those accounts would not have been a problem, and in fact I do know that some effort was made by a firm of lawyers in town to collect debts owed to the Bank of America. Whether the receipts would go to the National Bank, I do not know, but I know that Bank of America has been bringing actions in the courts on Monday mornings, in Special Court, against people who defaulted on their accounts, and so on.

I do not know what the National Bank does by way of collecting bad debts, I do not see their name on

the court lists often, I cannot even remember if ever, as a plaintiff trying to recover. I do not know what is their position, so I cannot comment on that, but the Bank of America has been bringing suit against former customers of the Bank.

Sir, I wish to say that the experience that I had last August notwithstanding, I have found that the management and staff of the National Bank have been helpful to me — yes, I bank with them — and persons I know, who have been recommended to the National Bank, not only by me but by several other people, have had good reports of the service at the National Bank.

As I say, I believe that perhaps the management and staff of the National Bank appreciate the fact that they are working for a National Bank and what that means as a National Bank in a developing society, but perhaps they got carried away a little bit.

Looking at the level of deposits, I have no doubt that they were carried away and lulled into a false sense of security, and that is why they tended to over expand. Quite frankly, I would say they tended to show off a little bit too quickly, but the situation is not by any means intractable.

The bank has played a very important role in terms of helping the small people, and it still has an important role to play in the implementation of the tenancies programme and the chattel mortgages, and the insurance in relation to chattel houses, together with the Insurance Corporation of Barbados.

I think that if the bank will in future heed some of the criticisms, and see them as constructive criticisms, that it can continue to play the role that it has played reasonably well for the first two years, and it can get itself back to that level of operation in a very short time, because it is a bank, and having said that it is a bank, this is the problem of the last three weeks.

Everybody who has read or heard what the Prime Minister had to say about the problems at the National Bank and the cutback of staff, and so on, everybody, all of a sudden, is a little frightened of the National Bank.

I can only say that I would like to try and inspire confidence in the Barbadian public by saying that there is no reason to be fearful that there will be a run on the bank or anything like this, but because it is a bank the assumption of Barbadians has been that it must make money. If you say the bank is losing, they are not buying that, Sir.

So the bank must now show a profit, since it is a rare occurrence for a bank to lose money, and the Barbadian people expect it to make money, even if it is only ten cents. And, it is very essential for the manage-

ment of the bank to do all that they can to start pulling back from the situation that they found themselves in and show the Barbadian public that they can make money. That is very important, Sir.

I tend not to be emotional about things, but looking at the Annual Report and Accounts for 1980, what struck me on page 5 — and Senator Seale must pardon me, Sir, I am not being racist at all, I want to just observe a fact — they have here a photograph of five gentlemen, the BNB Management Group. All five are black.

It has not been often, in the social and economic history of Barbados, that we have had institutions run by black people, and run successfully. The National Bank is an institution whose management group consists of five black men, and it must not fall, because again if it fails, you will hear that the blacks are not ready, or they cannot run business.

I do not believe that that assumption which has been made over the centuries is true. I believe that with experience in the particular area of business, black people can run it efficiently and successfully, but I just hope that the management of the bank is aware, not only of the financial implications, but of the social and human implications involved in the success or failure of the Barbados National Bank.

I am obliged to you, Sir.

SENATOR C. D. SEALE: Mr. President, I support the amendment to this Bill because I believe the Objects and Reasons will improve the efficiency of the bank and will take it a long way to making it become profitable, and in fact, very profitable.

Sir, I must confess that I cannot make constructive criticism of the Barbados National Bank for the simple reason that I have not seen the Annual Report and Accounts for the year 1981, so that my remarks will be contained to a few observations.

I believe that one of the biggest problems with the National Bank is that the top staff that have been looking after it have been looking after it with a Civil Service mentality.

I think that they now have to realise that they are commercial bankers; they are operating in a commercial organisation, and that they have to make commercial decisions with the speed and efficiency that is required, Sir.

I also, like other Senators, agree that the expansion of the National Bank has been a little too quick, Sir.

It is obvious to me that there was not a very good feasibility study done before the establishment of the branch at Wildey, Sir. I think that is a colossal mistake.

It is ironic, Sir, that the National Petroleum Corporation has ground floor space for rent in their building, and it is also ironic, Sir, that the former President of the National Bank is now the Chief Executive of the NPC and he has to look at the Wildey Branch every day, Sir.

Sir, the name of the Barbados Development Bank has crept into this debate on a number of occasions. I believe that the Barbados National Bank should take a leaf from the book of the Barbados Development Bank, that is, that they should institute a public annual general meeting.

Sir, I think that the public Annual General Meetings of the Barbados Development Bank have gone a long way in improving the image of the bank and in bringing the bank to the people, Sir, and I believe that it would serve the purpose of the Barbados National Bank if, when the accounts and reports for 1981 come out, they start their first annual general meeting from then, Sir.

Sir, in closing, I am going to surprise Senator Greaves; I am going to agree to a point that he made, Sir. I am going to agree to the point he made with respect to the planned redundancy of the 40 or so staff, Sir.

I wish to suggest that in this planned redundancy that there be a reprieve for a while, Sir, because I do believe that with the appointment of a new Chairman and a sharp new Managing Director the bank will prosper, Sir, and that more staff will be required in the future.

There are plenty profits to be made in commercial banking in Barbados, and the Barbados National Bank must get into the act, Sir. I know that it is difficult now for top executives to lose their jobs and to get back another one, Sir, and I think that they are just like lost sheep at the moment, without direction, and I think that if a new direction comes, I think those people who may not have been bankers earlier on will now become more productive and more efficient.

I thank you, Sir.

Mr. PRESIDENT: Senator Hall.

SENATOR W. W. HALL: Sir, I regret that I was not in my place when the Honourable Leader of the House introduced this Bill, Sir, because, having not been here, perhaps I might tread over ground that has already been trodden. But I am not going to be too long, Sir. I believe that I understand, quite fully, the importance

of the National Bank in an independent country and I sort of appreciate its role, Sir. After all, I am Bajan.

I feel that the establishment of the Barbados National Bank was a Barbados Labour Party conception and, if I may say so, Sir, a good one. So, without being in any way prejudiced, I think I would rather be like a good Barbadian, and regard this matter as a national one, and say that it has been a good project.

The Government may well accept their kisses for it. But, Sir, if things go wrong, the Government must then accept their kicks.

This project, Sir, this conception is not like the airport. It is not like the post office. It is not like Heywoods Project, Spring Garden Highway, Harrison's Cave or indeed, the Cement Plant. This is not a project that anyone can lay claim to, that they started it and you have now not finished it in time or it has cost enormous sums of money because of your delaying tactics.

This is totally Barbados Labour Party, Sir. It is your baby. And, Sir, I believe, in fact, that is the reason why I feel that any kisses that are due because of good management, or because it is a good concept, should be given. But I, on the contrary, believe, Sir, that if there are kicks to be given, you have to accept them.

You see, Sir, I sat down and I listened to Senator Williams, and Senator Williams said that the deposits say this, and I say this, that the deposits of the Barbados National Bank in 1978 were about \$43 million, Sir, and today it is \$150 million. That is true, Sir. Kisses to the Government.

But what is also true is that in 1978 the bank lost \$155 000; in 1979, there was a loss of \$473 000 and in 1980, Sir, there was a loss of \$576 000.

Now the figures are not yet out for 1981 but I daresay that they would be astronomical. I feel, Sir, today is the 8th August, 1982....(Aside) Eleventh? Well, Sir, worse; it is the eleventh and to tell you the truth, Sir, I believe that unless there are real reasons it could well have been out.

You see, Sir, I say that because Senator Williams gave figures that tend to give people the impression that all is well in the state of Denmark.

I must say that Bajans were sort of proud of the National Bank. I think we have to admit this, and I think you also have to admit that there must have been some measure of confidence behind the bank, because people transferred their accounts from the other commercial banks in Barbados to the National Bank. That is a fact, Sir. So we must say that there must have been some

measure of confidence. That is not to say, Sir, that that measure of confidence is still with us today.

We have heard Senator Williams, Sir, my good friend, say that loans are easily got, that you can easily get loans from the bank. And then, Sir, we hear Senator Simmons, a man of his stature — imagine that, Sir — and wealth, too — cannot get a \$25 000 loan from the bank. I am rather confused at this information, but since it came from the Government's side, I would have to ponder on it, Sir, and perhaps ask them to clear it up a little later.

Sir, as we look at the bank, we look at the set-up of the Bank. We look at the staffing, I think, Sir, that it is fair to say that when the bank was established, the cream from the commercial banks rushed over to the National Bank. I would say so. Qualified personnel flew home for positions, Sir. That is a fact. They were no doubt lured by better emoluments or perhaps better conditions of service. But what I would say, Sir, is that they came in large numbers. People who were working in banking institutions in Barbados for ten and fifteen years, Sir, changed their jobs and went over to the National Bank. This perhaps, is a good thing.

But what has subsequently transpired is that there seems to be the possibility of the institution becoming top heavy. That is a fact, Sir. Despite the wealth of banking experience, Sir, I find it hard to understand the problems the institution has had in maintaining trained staff.

I think Senator Williams hit on a point, Sir. I believe in what he said. I believe the key to the problems is the personnel. I also believe that Senator Greaves was right when he said that you must have people with banking expertise in the institution, and I think that that is the important thing, Sir.

The fact that we have been unable to keep them, the fact that the labour turnover has been rather high, one then has to ask oneself, "what happened?" And, you have to accept the kicks for that, Sir, if that is the case.

As far as the management structure is concerned Sir, this Bill will amend the Barbados National Bank Act in order to improve, which is "B" — let us go to "B" first — the management structure of the bank. Sir, if it is going to improve the management structure of the bank to make the managing director — well to have him on the Board in the first place, because as far as I understand, the General Manager of the National Bank was not a member of the Board, and I thought, Sir, in fact, I still believe, that that was a fundamental error. That is what I feel.

You see, Sir, the General Manager of the bank would be a banking expert and most of his subordinates. And I believe that this expertise should be available to the members of the bank who, although they might be very knowledgeable in finance and in other important areas, could well do with his expertise, and they could listen to his views with an open mind. That is what I think, Sir. And if he is now on the Board, well, my understanding of it, Sir, is that that would be a good decision.

You see, Sir, I believe when one goes to a bank for a loan, they do not wish all of the red tape, all of the shuffling of papers that Senator Simmons alluded to. What you really want is a decision — you are getting it or you are not getting it. And I believe that is the reason why you need to have people with expertise in banking in these positions.

Sir, the Bill will also amend the Act to make better provisions for loans to the sugar factories and the sugar plantations.

I think that everyone will agree that sugar has been good to us, definitely — even Red Plastic Bag said that, Sir — and it is true, it made us free. And I believe that the purpose of the National Bank really is to help the national development.

One of the reasons that we would have a national bank is to sort of contribute, Sir, and to help in national development. But I daresay that I believe that this must not really be to the detriment of the entire bank. This is my feeling.

I think the Prime Minister, only a week ago, said that there have been spectacular losses in the sugar industry and these losses have carried the bank down. That has been muted in here today, too, Sir.

What I am wondering, Sir, if the sugar industry has carried the bank down, I just wonder then why are you touching the commercial section? I am sure that the Hon. Minister would have the answer to that.

The losses over 1981 have been about \$1.2 million, and I am sure they will be greater in 1982 — and Senator Williams, who is a very knowledgeable man, alluded to the fact that some people, through the Bank of America — well, that, and there is a lot of bad debts, Sir.

I certainly do not know anything at all about the Bank of America, but what I know, Sir, is that out of 110 sugar estates in Barbados that had loans, 68 have not repaid them, Sir. And I am saying that is a very high percentage of bad debts.

The Prime Minister has gone on record that the bank could not be adequately protected. So he now decides that the bank should have the fullest protection over the advances. And that is the reason why we have in Schedule 1, Part 1, the Certificate of Loans, which will have to be signed by those who are desirous of getting loans.

In fact, it seems to me, Sir, that there is a tidying up, that the government, now, has seen the need to do these necessary things, and, if one assumes that they should have been done from the beginning, then the government will have to get kicks again, because they should have been monitoring the situation, Sir, because, as I said, it is your baby. I do feel that where credit is due you should give it, and if there is constructive criticism, well, then that should be accepted in the way in which it is given.

Sir, no less a person than the Minister of Agriculture in the Other Place, or I better say, 'is reported to have said,' because these newspapers, Sir, may not have been too accurate. But I know that there was a newspaper report that said the Minister said that if the health of the bank is to improve, then the Agricultural Division would need to be cut off.....(Pause) — because of equipment problems.

Mr. PRESIDENT: Would you like to change to another microphone?

SENATOR W. W. HALL: I don't like these changes, you know. I don't like changing in mid-stream(Laughter). The last speaker that spoke through that, Sir, is now in the great beyond. I don't like being forced into it, Sir. But it is alright; I think that I will get through, Sir. (Laughter)

Sir, I would just like to say — being critical is easy, I suppose, but I believe it is constructive criticism — that having seven branches — at least Senator Simmons said it, so if we are locked together on this then, Sir, fair enough — to have seven branches in four years seem to me to be overly ambitious. That is what I say, Sir.

I believe that there should have been a case of consolidation — consolidate and move, consolidate and move. That should have been the pattern. Especially, Sir, when I understand, or I hear, or it has been rumoured, that some of these banks were opened with no operational manuals being drawn out. That is what has been said around the place and, like Senator Simmons has said, people have been talking a lot. Not that everything they say is correct.

But, Sir, Barbados is a small place and I believe that where there are loopholes, the Government must,

with all alacrity, seek to stop them. And as I said, Sir, in the beginning it is very easy, Sir, to have kisses for the things you do that look to be good. But Sir, I think you also should be in a position to accept the kicks when there is constructive criticism aimed at you.

Thank you, Sir.

SENATOR ST. C. E. HOWELL: Thank you Mr. President.

Mr. President, I rise in support of the bill. From the outset, I want to say what Senators Simmons and Williams said in the beginning, that is, by Section 3 of the Principal Act, some five areas came into being under the Act. We know that since then the Development Bank has been taken out. Of the remaining four, it is clear that the commercial section of the National Bank has not, in fact, been criticized.

From the amendment which is before the Honourable Chamber, Sir, it is only the agricultural section which Government, and I think quite rightly so, is trying to secure to the taxpayer the security to the National Bank which is lacking under the existing Act, but which had existed under Section 12 of the Agricultural Credit Bank Act.

The amendment, as I see it, is really, in difficult economic times, trying to restore the status quo of the bank. It has always been there, and I do not see how the bank can be criticised for so doing. The agricultural policy of the bank is not a purely commercial venture. I think that has also been made clear, Sir.

Sir, I would mention something briefly from the 1980 Report of the National Bank — I gather it has already been made a document of the House — it is important to point out that in 1980 there was a new dimension, the unsecured Loans Scheme, Sir, and, of these a number of such loans were made to small farmers. I think that would be welcomed by all Honourable Senators in this Chamber. What is more important, Sir, is that of 137 loans, such loans made in 1980, 103 of these loans were made to small farmers. I think this is to be encouraged and the Government is to be congratulated on that.

It is true, Mr. President, that under our Westminster system or model, that when things are going fine for the Government, the Government takes the praise, and when things are going not too well, they take the kicks, as Senator Hall has said, even at times when it appears to be somewhat unfair. But that is the way our system works.

But, really, when one looks at the very mild amendment made to the principal Act, it cannot, to my mind, be said that this is tantamount to interference by the Minister of Finance. I cannot see that, Sir.

Indeed, we have all been very cautious this evening in discussing this amendment, and the bank really has the sympathy of all speakers so far, but I would prefer that the amendment had in fact gone further and just as Schedule I, Loan Certificate, has been introduced in order to sort of counteract the very wide discretionary powers given in section 4(1) (v) of the principal Act, which, among other things, gives the members of the Board powers to make loans to sugar plantations and sugar factories on such terms and conditions as the Board determines.

Sir, I was present on one occasion at least when Senator Simmons praised the Government very highly for granting these wide powers to Statutory Boards as a new dimension. I think, if my memory serves me correctly, that indeed we did deliver joint papers some time in 1980 on this, and we were in agreement with it.

My reason for supporting Government at the time was that I was speaking from my knowledge as a member of another Board where the powers were not really powers at all, because there was one instance where a certain Board — and the Act still exists — cannot even employ a van driver without first getting approval from the Services Statutory Commission, and therefore we thought that these new powers given to highly trained personnel to employ staff on such terms and conditions as they see fit, on the one hand, Sir, and to make loans to plantations and factories again under such terms and conditions was a step in the right direction.

If it transpires that for whatever reason the Board is not using the power that is actually given to the Board in the Act, to my mind it is incumbent on Government to safeguard the taxpayers' money and re-introduce into the existing Act what had previously existed under the Agricultural Credit Bank Act. That is what this Act is seeking to do.

Now, as far as the staffing is concerned, I really share, to some extent, the sentiments of Senator Greaves, and I also can take the point made by Senator Seale. No one knows for sure where the axe will fall, when it is going to fall, and who it is going to fall on.

I think that as regards to highly trained personnel, in the banking system in a small developing country such as ours, it would indeed be sad if a number of people suddenly found themselves unemployed at this time, because it would be rather difficult for them to be re-employed. They could be unemployed for a long time.

But at the same time, Mr. President, Government must be realistic, because the same people who are making these criticisms will come back in this Honourable Chamber and accuse the Government of being irresponsible for allowing the Barbados National Bank to function

with staff — I think at one time it had been said almost twice as much as the other competitive banks — and continue to let that go on unchecked. It would not happen in private industry, Mr. President, and I see no reason why it should be permitted to happen in any Government sector.

I think what ought to be done, and I am sure what will be done in these circumstances, is that Government has made a clear observation and will continue to monitor the situation, and one of the things that all Barbadians can rest assured of is that in Barbados, if and when there are any lay-offs, these people will be fully compensated, unlike in another unfortunate Caribbean country, where there have been experiences of people with over 20 years' service in the Civil Service who were simply laid off with absolutely no compensation at all.

I think the amendment is a good one, Mr. President. I think that it ought to have gone further and that the powers as existed in Section 13 of the principal Act, whereby the bank still has power to employ anyone under any conditions, ought to have been cut down somewhat, but the Government has not done so, and this is a clear indication of not interfering.

Thank you, Mr. President.

Mr. PRESIDENT: Senator Barrow.

SENATOR THE HON. N. A. BARROW: Mr. President, in replying, I think I have, first of all, to deal with a point which seems to have been taken a little further than Senator Simmons intended when he made it, when he talked about the grant of wide powers to statutory boards.

As a matter of fact, when he made the point, I was sorry that he did not develop it in relation to the points made earlier by Senator Greaves, because it is my belief that although he was answering a point made by Senator Greaves about the Minister of Finance and what he should have known and how late he moved, that Senator Greaves did not understand that that was in fact the reply to all that he had said.

Indeed, if I understand my notes properly, the most amazing thing in this evening's debate is that it is almost impossible to reconcile Senator Hall's statement, that it is easy to criticise, with the efforts of the Opposition. Senator Hall, himself, found it extremely difficult to criticise.

He, first of all, took the point that there is no longer to be a President who is Chairman but that there should be a Chairman and a Deputy Chairman separate and distinct from the Managing Director. And when he had finished absorbing this point in its full significance,

he produced a statement, albeit he said he was criticising, that it was a good thing to make the General Manager of the bank a member of the Board, and that the fact that he was not a member of the Board before was a fundamental mistake.

I wish to submit that there is a fundamental misunderstanding here, because, in the context in which I presumed he was talking, the General Manager of the bank is indeed the President of the Bank, who is not only on the Board, but in fact was Chairman of the Board.

Therefore, if I understand Senator Hall, he was praising the Government for something it was not even doing. He was neither removing nor putting the "Chief Executive" on the Board, neither removing them from the Board nor putting them on the Board.

Then, Senator Hall went on and he spoke about sugar, which he said had been good to us. Therefore, as I understood his point, he was not criticising the significant contribution of the bank to the sugar industry. He said if the sugar industry is carrying the bank down, why are we touching the commercial section?

What this Bill is about, insofar as it touches the commercial section at all, is the reorganisation of the whole management structure of the bank. It is not a matter of a sectoral change. It is the entire management structure of the bank that is here considered in this Bill.

But insofar as a specific section of the bank is being touched, it is not the commercial section — it is the agricultural section. Because what the Bill is saying, is that in respect of agricultural loans, the security which used to be enjoyed by the Sugar Industry Agricultural Bank, and the security which used to be enjoyed by the Agricultural Credit Bank, that security ought now to be enjoyed by the Barbados National Bank in respect of its agricultural loans.

I hope I have answered Senator Hall's question, but I had to answer it merely by pointing out that the question really could not reasonably be asked. It is that question, Sir, of Senator Hall's and what I have just said, that really leads me back to Senator Greaves, but I think I will take Senator Greaves separately.

The other point which Senator Hall makes is that where there are loopholes, the Government must with all alacrity move to close them. Now here is a man, Sir, who is criticising the Government.

But it is clear to us that while in the Central Bank, which is a regulatory agency, or if you prefer a regulatory agency — I have heard it pronounced both ways, I do not know which is the right way — but it is that kind of agency — (laughter). Whereas in that kind of

agency, regulatory or regulatory, it had worked successfully that the Chief Executive and the Chairman of the Board have been the same person, as a rule, we have preferred a formula, with statutory corporations doing commercial activity, that there should be a separation between those two positions, the Chairmanship of the Board and the Chief Executive. And the only exception to this has been the Barbados National Bank up until now.

The Insurance Corporation of Barbados is not so set up, and has never been. None of the bodies doing commercial operations, the National Petroleum Corporation, the Barbados Marketing Corporation, none of these bodies, which has any commercial aspect, has been established with the Chief Executive and Chairman being one and the same.

And we believe that it was a mistake, in the case of the BNB, to apply a formula which worked successfully in the Central Bank. We think that the evidence is quite clear, that we should not allow that formula to continue in the BNB. As Senator Hall said, where there are loopholes, the Government must, with all alacrity, move to close them.

The other thing in this Bill is what I pointed out in my introduction. Senator Greaves made a comment about it and that is why I was going to deal with it, because Senator Greaves refused to accept what I said.

According to him, it was the policy of the Government not to give the bank these powers, when I said that it was the intention that the function of the Sugar Industry Agricultural Bank and the Agricultural Credit Bank should be transferred to the Barbados National Bank and that the legal draftsmen produced a Bill which did not bring the protection which those institutions had.

Only Senator Greaves, I believe, Sir, would sit down and write drafting instructions to the lawyers to say, "Bring across the function but leave out the power that protects the institution". Since Senator Greaves claims he would do this, Senator Greaves finds it possible to accuse other people of having done that.

But things happen all the time and, unfortunately, Sir, draftsmen, like anybody else, make mistakes from time to time, and sometimes these things are not spotted in time.

It is when we saw the situation of the bank, and all the lock-ups, that the matter was looked back at, and then we recognised that what happened was that the functions had been brought across, but that the protection which the predecessor institutions had had not been brought across. Therefore, we moved to plug the loophole by bringing this Bill here.

I think Senator Hall clearly understands that these things happen, and therefore that it is necessary for Government to, as he puts it, plug the loopholes with all alacrity. But his colleague, Senator Greaves, does not understand things like this.

There is a further point to be made, Sir, before I look at Senator Greaves' contrivances, and it is this. We should not be surprised to find that in the Bank Act, the powers given to the Minister are minimum. There is good reason for this, and this is why, in the changes we have here, we are not dealing with adding to those powers. Senator Howell thought we should have gone further.

The business of banking is confidential business and people are not going to accept a bank with any confidence which has 'Big Brother' looking over the shoulder of the bank manager to see exactly whom you are lending money to, and to intervene and to say, "You should not lend money to this person" or, "You should lend money to that person". They are not likely to have confidence in that kind of bank.

For example, you know the kind of bank the BDB used to be one time. (Aside) Before Senator Seale and before 1976. People do not have confidence in that kind of bank.

Unfortunately, Senator Greaves has gone, because he came in here and talked about a World Bank Report. Senator Greaves talks and does not give dates when he is making a point. Senator Seale is now saying not to worry with the point, but I was hoping Senator Greaves was going to stay right there, because we could have dealt with the point.

I mean, the decision had been taken so long not to bring BDB into the National Bank. So long. It is probably two years now, Sir, that Marshall Hall was bought, the new Headquarters for the BDB; probably two years that the land for the headquarters was bought, long before anything about any World Bank Report that Senator Greaves wants to talk about. And Senator Greaves seems to be the only person who knows that the World Bank Report levelled strictures at the management of the National Bank.

As far as I know, the only point being taken was that the World Bank did not lend money to a commercial institution, which reinforced the decision that had already been reached by then — not to bring the Bank the BDB into the National Bank.

Anyhow, if you talk and leave, you do not have to listen to replies, but I am hoping that Senator Hall will take a couple of notes, because it is not a good thing to keep one's colleague in eternal darkness.

The point about the Minister and the powers is extremely important because it is central to the whole contribution of Senator Greaves. It was all the sentences he used; all the time that he took; all he was saying at any one time in his speech was that the Minister of Finance, according to him, does not know what he is doing.

Senator Greaves said that if he knew what he was doing, he would have seen those problems before they developed, because the Act provides for continuous reporting. Senator Greaves will be well advised to read the Act.

There are two very simple points I want to make. One is, you should not talk about what the Act provides for unless you first read it, because you can lead yourself into all sorts of problems.

But the other thing is, even if Senator Greaves had been correct in his understanding of the Act — I want to phrase what I am saying very carefully — even a Board that has the direct responsibility for taking decisions in a corporation can only function insofar as it is provided with the information on which it can act.

We are not to get in here or go anywhere else and fool ourselves that the real power in any corporation does not reside with management. In the same way in the Barbados Workers Union, the power resides in the General Secretary, ...banks resides in management.

In the same way that the responsible management of banks will not mislead the Board, we cannot tell if the General Secretary will, or will not mislead the Executive. We just do not know. We are dealing here with an imponderable — how much information will management give to its Board at any given time, and the judgement of management as to the importance of the information it is giving — it does not always have to be a matter of deliberately with-holding; that is something which one has to understand — and it is quite easy for people not to have the information which they need in order to check certain steps on the part of management.

It is all conviction and, indeed, Sir, the facts are very clear and in any similar situation one would be able to see it, that insofar as the Board can operate to check management and to prevent excesses, then, this is clearly more possible where the Chairman of the Board is not the Chief Executive of a corporation.

As I said, to understand that ministerial powers will essentially be slight in a situation like this is to understand the confidentiality of banking.

What I found, Sir, about Senator Greaves' speech is that Senator Greaves came in really prepared to attack an

opening speech which I did not make and, therefore, he found it necessary to try to relate to other things happening outside this Chamber in order to give some point to the remarks he wanted to make.

I remember at one point, Sir, when you stopped him, or asked him what he was talking about, and I was at that point really wondering exactly where he was going to lead himself — and it would have been indeed interesting.

But what I disliked about the speech — he tried at one point to pull himself, because I think even Senator Greaves realized that in trying to criticize, he was perhaps going a bit far, in that his remarks, if accurately reported, could have had the effect of undermining confidence in the bank. And half-way through it, he stopped and said, "I think a National bank is a concept which is useful and important in any country and it should be encouraged. We should keep whatever profits made out of the operations in the country."

And then he went on to make a statement, which, up to now, I don't understand the significance of; that he knows that within the Democratic Labour Party there are varying views on this point.

I always thought that whatever the differences between the two parties that the position taken by the party he represents, during the debate in March 1978, was a position which really represented the unified position of the party. But he is saying that there are varying views.

Well, we know that the leader of his party, as Senator Simmons said, resisted Mr. Sandiford on this point for years. But I would like to believe that the leader of his party had been converted to the view that it was important to have such institutions, if, indeed, independence is going to mean anything to us.

Look Sir, you know who are the main clients of the Barbados National Bank, in addition to the sugar industry, that is in a powerless state, that needs assistance, and is regarded as a bad risk by any ordinary commercial bank? The main clients are the small businessmen and the small farmers, and small people in the retail trades. Those are the main clients.

If the BNB had some of the bigger names down the street, its position would indeed be much better, and, in spite of that, the bank would have been making money had it not been for the fact that its agricultural loans are what have been turning its overall financial performance into a position of loss. I believe that this is something people have to understand.

If any people who want to criticise the National Bank and run it down and talk about a run on the bank, and talk about people not having confidence in the bank, like Senator Greaves has spoken in here today, if any of them want to come and show me which of the other banks operating out there would put that kind of money into the sugar industry, would lend that kind of money to the small people, then let him bring the bank in here and then we would know we do not need a national institution. That, to me is the proof of the necessity of having a national bank.

That is why I believe that Senator Hall was making a genuine, honest-to-goodness and sincere contribution when he said where there are loopholes the Government must, with all alacrity, move to close them.

The Bill before us is the Bill which shows that the Government is with Senator Hall on this point. There are loopholes, we are moving to close them, and that is all this legislation is about.

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

SENATOR THE HON. N. A. BARROW: Mr. President, I move that the Senate do now resolve itself into a Committee on this Bill.

The question was put to the Senate and agreed to. Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, Senator J. C. W. WICKHAM in the Chair.

Clauses 1 to 12 inclusive were called and agreed to.

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, and Mr. PRESIDENT resumed the Chair.

SENATOR THE HON. N. A. BARROW: Mr. President, I beg to report the Bill as passed the Committee without amendment, and 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 this Bill do now pass.

The question was put to the Senate and agreed to.

THE ADJOURNMENT

SENATOR THE HON. N. A. BARROW: Mr. President, I rise to move the adjournment, and in doing so, Sir, I wish to thank members — I want to know if it is on both sides or on three sides — around the Table, Sir, for their co-operation in agreeing to take all these Items through all their stages at today's meeting, so that once we have met today, though we are embarking a week or two late, about a week late, on what I think is a much needed Recess, the agreement to take everything today has meant that at least we can look forward now to a little break from the legislative programme.

The Other Place, I understand, will resume in mid-September and therefore I would expect that unless something untoward should occur, we can look forward to a break of six to seven weeks, because it should take us down to the beginning of October.

I beg to move, Sir that the Senate stand adjourned *sine die*.

The question was put to the Senate and agreed to, and Mr. PRESIDENT adjourned the Senate accordingly. 5.46 p.m.