

THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1981 – 86

THE SENATE

Wednesday, 29th September, 1982.

The Senate met in the Senate Chamber, Public Buildings on Wednesday, September 29, 1982, at 11.20 a.m. today.

PRESENT

His Honour Senator the Honourable Sir Arnott Cato, M.B., Ch.B., LL.D., (President);

His Honour Senator J. C. W. Wickham, M.B.E., (Deputy President);

Senator the Hon. N. A. Barrow, B.A., LL.B., (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, LL.B.;

Senator Mrs. E. M. Lynch, G.C.M.;

Senator C. A. Griffith, (Parliamentary Secretary, Prime Minister's Office);

Senator J. E. D. Williams;

Senator A. P. L. Reece;

Senator St. C. E. Howell;

Senator Mrs. M. O. Reece;

Senator A. W. A. McClean;

Senator Mrs. G. G. Reader, M.B.E.;

Senator C. D. Seale;

Senator the Rev. Can. I. McK. Jones;

Senator K. A. Rouse;

Senator L. A. Ward.

Prayers were read by Senator Rev. Canon I. McK. Jones.

ABSENT

Senator Miss J. Clarke;

Senator E. E. Greaves; and

Senator W. W. Hall.

MESSAGES

Mr. PRESIDENT: I have received the following Message from His Excellency, the Governor-General.

His Excellency the Governor-General has the honour to inform The Honourable The Senate that, in accordance with section 36(4) of the Constitution, Mr. Lionel Allan Ward has been appointed to be a member of the Senate with effect from the 16th September, 1982.

Mr. Clerk, please ask Mr. Ward to come in.

Mr. Lionel Allan Ward, accompanied by the Clerk, entered the Chamber and was taken to his seat.

Mr. PRESIDENT: Senator Ward, I extend a very cordial welcome to you on behalf of honourable senators and myself. I believe that your general knowledge and experience in this country, and particularly so in the field of agriculture, will make you a very worthy member of this Chamber, and I wish you a most successful term of office.

I now invite you to take your seat as a member of this Senate. (CHEERS).

SENATOR L. A. WARD: Mr. President, I thank you very much for your warm words of welcome, and I would like to assure you, Sir, that I will do my best to keep up the high traditions of this Honourable Chamber. As you say, my chief background is in agriculture, and I hope I will be able to make some useful contribution to this Senate. Thank you. (CHEERS)

OBITUARY SPEECHES

SENATOR THE HON. N. A. BARROW: Mr. President, I rise on a rather different matter, but as I am on my feet, I trust members will permit me to extend a

personal welcome, and a welcome on behalf of this side, to Senator Ward.

I rise, Sir, because on Saturday afternoon a number of us attended a funeral at the Christ Church Parish Church. It was the funeral of the father of Senator Milroy Reece, and I am quite sure, Sir, that the Senate would wish to extend its sympathy to Senator Reece and her relatives.

Mr. Conrad Nelson, whom I have had the honour and pleasure to know, and who lived to the ripe age of 84, was, indeed, a man whom it was a pleasure to know. He was a person of whom it could be truly said, "he never lost the zest for life", and right up until the end he was a man whose attitudes and whose outlook were then to be associated with young people.

He was a man who did not know arrogance, who did not know pettiness, spite or envy, and who, in his very cheerful way, in a life of hardwork was able to bring up a family, some of whom have reached quite distinguished positions in life.

Mr. President, just let me say that I am, in a way, privileged to be able to share, to a very limited extent, with Senator Reece some feeling of loss, and it is therefore also a very personal matter for me when I ask that the Chamber in its usual way, extend sympathy to the relatives of Mr. Nelson.

SENATOR C. D. SEALE: Mr. President, on behalf of this side of the Table, I would like to offer my sincere condolences to the family of the late Mr. Nelson. I was not known to the deceased, but I know his son very well, and, of course, Senator Reece, and I am certain that a man that could have come from such humble beginnings to have produced a family of such intelligence has a place in our country.

As I said, I am well acquainted with Mr. Richard Leslie, the General Manager of the Development Bank, and I think that he is one of the finest public officers that we have in Barbados.

I thank you.

Mr. PRESIDENT: Honourable senators, I would like to associate myself with the remarks made by the previous speakers. On an occasion of grief, it is very difficult to find the proper words with which to comfort those who have lost their dear ones, but I feel sure that Senator Reece will find some consolation in the high regard which, evidently, everyone had for her father.

I will ask the Clerk to send the usual message of sympathy from the Senate, and I will ask honourable

senators to stand and observe for a few moments silence in respect of his passing.

Honourable senators stood at their places in silence for a few moments.

Thank you.

PRESENTATION OF PAPERS

SENATOR THE HON. N. A. BARROW: Mr. President, I am commanded to lay the following:

The Wireless Telegraphy (Land Mobile and Fixed Radio Telephone Services) (Amendment) Regulations 1982.

The Wireless Telegraphy (Amateur Transmitter) (Amendment) Regulations 1982.

The Wireless Telegraphy (Mobile Aeroplanes, Model Racing Cars and Model Trains) (Amendment) Regulations 1982.

The Wireless Telegraphy (Amendment) Regulations 1982.

The Prisons Annual Report for the year 1981.

The Customs Tariff (Amendment) (No. 3) Order 1982.

Statement showing Net Customs and Excise Receipts for 3 months ended 30th June 1982.

The Annual Report and Financial Statement of the Barbados National Standards Institution for the year 1980-81.

The 7th Annual Report and Statement of Accounts of the National Housing Corporation for the year 1979-80.

The Civil Establishment (General) (Amendment) (No. 2) Order 1982.

Statement showing Net Customs and Excise Receipts for 4 months ended 31st July 1982.

The Water and Sewerage Rates Regulations 1982.

The Water Services Regulations 1982.

The Civil Establishment (Part-time Officers) Order 1982.

The Civil Establishment (Teachers) (Amendment) Order 1982.

The Civil Establishment (General) Order 1982.

The Barbados Water Authority (In-House Installations) Regulations 1982.

The Sewerage Regulations 1982.

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

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

The Tariff Book (Amendment) 1982.

Report on Vital Statistics and Registrations for the year 1980.

INTRODUCTION OF BILLS

SENATOR THE HON. N. A. BARROW: Mr. President, on the Order Paper today, Orders Nos. 2 to 8 are Bills which have been introduced by way of a notice, but have not been read a first time in this Chamber, and therefore I wish to include them with the following:—

A Bill to make new provision for the development of the sugar industry and to consolidate certain enactments related thereto.

A Bill to revise and amend the law relating to companies and to provide for related and consequential matters.

A Bill to amend certain enactments relating to statutory boards.

A Bill to amend the Registration Office Act, Cap. 33.

A Bill to amend the Fiscal Incentives Act, Cap. 71A.

A Bill to amend the Banking Act, Cap. 322.

A Bill to amend the Profession, Trade and Business Registration Act, Cap. 373.

A Resolution to approve the lease of a parcel of land at Wildey in the parish of Saint Michael, to Mr. Tee's Donuts (Barbados) Limited, for the purpose of erecting a doughnut shop, an ice-cream supermarket and for related matters.

Mr. PRESIDENT: Let it be recorded in the Minutes that the Bills appearing on the Order Paper are the Bills

for which notice has now been given and that they have been read a first time.

PUBLIC BUSINESS

SENATOR THE HON. N. A. BARROW: Mr. President, I propose at this stage, Sir, to move the suspension of Standing Order 45(2), because without the suspension of that Standing Order, it will not be possible for us to do any business at all today, except for Order No. 1.

In relation to the items of which notice has been given, and which have been read a first time, there are some which have been circulated and which, clearly, members may agree to proceed with. On this side, we stand ready to be guided as to which, if any, of those others may be proceeded with today.

There are, however, two measures, one is the new Sugar Industry Act and the other is the Sugar Industry Price Support Bill, which I will have to ask honourable Senators to allow us to deal with today, because we had a tight deadline and these matters are so urgent that if we do not deal with them in all of their stages today we will have to schedule an additional meeting by the end of the week in order to deal with them.

As I have said informally, my approach is going to deal with the Price Support Bill first, which I do believe members will agree to our doing in all its stages. In relation to the other Bill, which we should reach much later in the day, I propose to make the Second Reading speech and hope that at that point members can agree that we will continue. But, clearly, if it is not amenable, I will not be able to, and that will put us in the inconvenience of having to meet very soon to get it through.

The point is that the one that has to be got through absolutely, must be done before the 1st of October, and today is the 29th of September, this is the Price Support measure. But we are caught in a bind in that the effect of that Bill is, in large measure, dependent on the coming into operation of the other Bill, because there are references in this Bill to the other, which are given efficacy only when the other one becomes law. So, on the best legal advice, we really need to operate on the two of them together.

I believe that many senators would have read the Bill, because it would have been circulated with House papers, but the Senate Bill is not yet before us. It will be before us in a matter, I expect, of minutes, but the point is that such amendments as there are, are amendments of form and not of substance, and, therefore, once one has read the House Bill, then one is in a position to deal with the matter. So we will come to that in a little while.

As it is, Sir, with reference to the items on the Order Paper, Senator Trotman will deal with Item No. 1, Orders Nos. 2,3,4, Order No. 5 — and we have no intention of trying to do 5 today — will be dealt with by Senator Griffith. In fact, I think there are one or two, I think it is Order No. 2 and, perhaps one other.

So it is only those Bills, apart from the two I mentioned, Sir, which are very short, like the Validation of Motor Vehicles Tax, which we will try to do, but nothing that is in any way lengthy, or in any way as complex as the sugar industry Bills.

Mr. President, I move that Standing Order No.45(2) be suspended.

Mr. PRESIDENT: I am going to put the question on suspension of Standing Order No.45(2) so that we can proceed with business. The question as to whether honourable senators will be prepared to deal with the companion Bill to the Sugar Bill that is in the Order Paper, will be a matter for senators to decide when the time comes.

The question that Standing Order No.45(2) be suspended was put to the Senate and agreed to.

CIVIL ESTABLISHMENT (GENERAL) (AMENDMENT) (No.2) ORDER, 1982

Order No. 1 was called — To move the passing of the Resolution to approve the Civil Establishment (General) (Amendment) (No.2) Order, 1982.

Mr. PRESIDENT: Senator Trotman.

SENATOR THE HON. O'B. TROTMAN: Mr. President, Sir, the Civil Establishment (No.2) (Amendment) Order, which is before us, seeks to do several corrections in various departments of the Government, and they are all set out in the Addendum to the Resolution.

Before referring to the Addendum itself, Sir, I would like to point out a typographical error, which has been confirmed with the Establishments Division, in the Order itself, which is attached to the Resolution which you may have, Sir, on page 12, in the Prime Minister's Office, Immigration Department.

The Resolution, and its Addendum, will say that the intention of the Resolution is to convert twelve posts of Clerical Officers to the posts of Immigration Officer II and Immigration Officer III in the Establishment Order. However, the Order that is printed makes reference to Immigration Officer I. That is totally incorrect; it is merely a typographical error, Sir, and we can regard it as being such.

Mr. PRESIDENT: Where are we exactly? (Asides)

SENATOR THE HON. O'B. TROTMAN: The Resolution then Sir, seeks to regularize posts in Immigration and Defence and Security, itself.

There are posts at the Met. Office, in which there will be some overlapping of duties between forecasters and meteorologists, and the Order seeks to regularize that position by giving them the correct title.

Because of the ministerial changes, there are other amendments to be made in terms of the Ministry of Education, the Ministry of Industry, and the Ministry of National Insurance, and there are a lot of amendments to do with nursing, because the Order that is printed, the General Order, has nurses graded as Z18-15. In fact, that should have been Z17-15. Therefore, throughout the amending Order, we seek to make that correction.

I beg to move, Sir, that the Resolution do now pass.

Mr. PRESIDENT: My understanding is that the House merely approves the Order, and the question is put. This correction of "I" or "II" would be a matter for the Minister.

SENATOR THE HON. N. A. BARROW: Mr. President, the point is that the Minister executes an Order; the Order is then subject to Resolution of the House.

This Order, in order to be given effect, is subject to Affirmative Resolution rather than a Negative Resolution, and any errors which may be picked up, such as the one that Senator Trotman just saw, would then fall to be corrected by the bringing into force a new Order and the presenting of that new Order, which, in turn, will come for an Affirmative Resolution.

But it could not, Sir, be done, because we cannot change the substance of an Order. We either approve an Order or we reject the Order. (Asides).

SENATOR THE HON. O'B. TROTMAN: In fact, Mr. President, the answer to the problem might be to have it corrected when the General Order is being done for salaries, because that will be retroactive and will probably override the amendment anyhow.

Mr. PRESIDENT: I am advised that any correction which is necessary will be done by the Minister. Senator Trotman, possibly when another Order comes up, in a short space of time, that particular point will be taken care of.

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

VESSELS (REGISTRATION FEE) ACT, 1982.

Order No. 8 was called — To move the First Reading of a Bill to provide for the imposition of a registration fee on operators of certain vessels in respect of those vessels.

SENATOR THE HON. O'B. TROTMAN: Mr. President, Sir, the substance of this Bill has already been before the Parliament in as much as it forms part of the Budget for last year. It has to do with the collection of fees from people who run boats for pleasure cruises.

After the Budget, Sir, the Harbours Tariff Book was amended to provide for the collection of revenue from the boat owners, which was paid into the Port Authority. The result of that was that the Government, that is, the Consolidated Fund, was losing the revenue which the Budget intended to be collected.

After some discussion, it was discovered that there was no legal means of getting the fees collected by the Port Authority into the Consolidated Fund, and it was advised that it would be necessary to have a completely new Bill to provide for the collection of the revenue from the boat owners, and that is the purpose of the Bill before us this morning.

The fees, to which reference is made in the Bill, are in fact being collected at present, except that they are paid to the Port Authority, and the Bill seeks to make provision for them to be paid into the Consolidated Fund.

I beg to move that this Bill be now 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 a Committee on the 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. O'B. TROTMAN: 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. 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: I beg to move that the Bill do now pass.

The question was put to the Senate and agreed to.

THE ROAD TRAFFIC (LICENCE TAX) (VALIDATION) ACT, 1982

Order No 2 was called — To move the Second Reading of a Bill to validate the payment and receipt of certain motor vehicle taxes.

SENATOR C. A. GRIFFITH: Mr. President, this Bill results from some advice from the Attorney General's Office, and it is in connection with the supplementary Budgetary Proposals which were made in September 1981, which included the imposition of certain motor vehicle taxes with effect from September 21, and those taxes were further changed in 1982 as a result of the 1982 Budgetary Proposals, which were laid in the House of Assembly on March 31.

What this Bill simply seeks to do is to validate those payments which were made from September 21, 1981 until March, 1982.

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

SENATOR A. W. A. McCLEAN: Mr. President, although I generally support this Bill, I think it provides the occasion to comment on certain aspects of Government policy relating to motor vehicles, the taxation thereon and other restrictions relating thereto.

First of all, I would like to suggest that although it is desirable to restrict the number of motor vehicles entering Barbados in any one year, that perhaps the particular set of restrictions which we now have are to some degree superfluous, and that they are more than is necessary to do the job.

Secondly, they impart certain biases into the situation that are not in the general interest of the country. I am speaking in particular to the question of import controls, the controls on the volume that we can import.

In addition to that, Government has been effectively controlling the demands for motor cars in particular by very heavy imposition of taxes and, secondly, by restrictions on credit. I would think these are suffi-

cient in themselves, really, to ensure that we do not become inundated with motor cars.

As such, the direct import restrictions are in large measure superfluous in terms of the objective of constraining the number of motor cars that will come into Barbados over any given period of time, but I think they have an undesirable side effect which I do not think was intended.

As soon as Government gets involved in quotas and so on, they have to make this operational by sharing out these quotas between different garages and so on. It means, therefore, that whatever principle has been used to allocate these quotas, this principle can generate results which are at some distance from the preferences of people who would like to buy motor vehicles.

What you will find, therefore, is that if garage "A" has a quota of 20 motor cars, and Barbadians would like to buy all the motor cars they want to buy from that one garage, they cannot do it — they can only buy 20 from there, 20 from somewhere else and 30 from a third place; with the result that the mix of motor cars you have on the road is not those (a) desired by Barbadians and (b) the best in terms of the efficiency of the vehicles.

So I think that to maintain this quota system for too many years leads to an exaggeration of that type of distortion, and perhaps the time has come at least to remove those restrictions, and let the market settle down in accordance with consumer preferences. Maybe, if in the future you need to re-impose them, at least you will have a better gauge as to consumer preferences, so that you can more sensibly allocate quotas, from the point of view of consumer interest.

The other point about taxes is that I think the imposition of various levels of taxation and consumption taxes and so on relate to the C.I.F. value of the landed cost of the motor vehicles. I know there is some relationship between the price of a motor car and the size of the engine and so on. This is not necessarily always true, however, because a better quality vehicle, with a smaller engine and with a small chassis, may still cost a little more than a big no-good vehicle which is going to be very heavy on gas and everything else, and repairs. So that system has the bias against quality; this difference in price has a bias against quality.

It also leads to certain anomalies in the situation of fluctuating exchange rates, say, *vis-a-vis* the yen and so on, where for one shipment someone will find himself having to pay a certain level of Consumption Tax, and because the U.S., and hence the Barbadian dollar, should appreciate against the yen a month later or two months

later, some vehicle might not be subject to that same level of taxation.

This can create an anomalous situation in terms of the resale value of people's cars. What one man had to pay to get his car, another fellow got an identical car a week later for less, and these things are not to be desired.

I would hope that Government would address itself to that type of problem to find ways around these anomalies, but generally I support the Bill, Mr. President.

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

On motion of Senator C. A. GRIFFITH, Mr. PRESIDENT left the Chair and the Senate resolved itself into Committee on the Bill, Senator J. C. WICKHAM in the Chair.

Clauses 1 and 2 were called and passed.

On motion of Senator C. A. GRIFFITH, the Senate was resumed and the Bill was reported as having passed the Committee without amendment, Mr. PRESIDENT in the Chair.

On the separate motions of Senator C. A. GRIFFITH, the Bill was read a third time forthwith and passed.

THE SUGAR INDUSTRY (SUPPORT PRICE) ACT, 1982

Order No. 6 was called — To move the Second Reading of a Bill to provide for the establishment of a fund to support the price of sugar and for related matters.

SENATOR THE HON. N. A. BARROW: Mr. President, this is the first of two Bills to which I made reference earlier, and in my comments, I intimated that I believe that honourable members would be amenable to doing this Bill.

I am aware that, in relation to the second one, which is the Sugar Industry Bill, the version of the Bill which has passed the Other Place had not been circulated at the time. It has been circulated at this point, and those members, who between now and our luncheon break have a chance to look through the Bill, would realise that it is really not different in substance from the one that was circulated with the House papers originally.

These two Bills, Sir, form a very important aspect of Government policy in relation to a rehabilitation of

the sugar industry and its more efficient organisation. They are the legislative aspect of that package.

The other aspects of the package, which can be achieved without the need for legislation, are achieved in that way, such as the measures that were agreed to in February at the time of the settlement of the wage negotiations, but these two relate to what legislation is found to be necessary.

The instant Bill, Sir, is one which seeks to facilitate the operation of the Sugar Price Support Scheme, which was announced by the Prime Minister in the Other Place in July this year.

What the Act does, Sir, is as follows:-

- (a) It authorises the Barbados Sugar Factories Limited to issue bonds for the purpose of financing a Sugar Support Price Fund.
 - (b) It allows Government to guarantee the payment of principal and interest on the bonds.
- Government does not assume the debt itself, but one can appreciate that, particularly with the parlous state of the sugar industry, the bonds would not have a chance of purchase if there were not supported by a Government guarantee.
- (c) The Sinking Fund that is created thereby is exempted from taxation.
 - (d) Next, the Act also makes the loans convertible into grants.

The loans, which will be made to the sugar producers, large and small, from the Price Support Fund, are loans made under a formula which permits efficient protective measures that lead to an increase in production to impact upon the loans by converting them into grants.

- (e) Also, it permits for the refund of interest in such cases where the targets are not met initially, but are met over the three year period.

The interest that was paid can be refunded, and that refund of interest, incidentally, Mr. President, is made

subject to taxes and levies, because it is income.

- (f) It also amends the Income Tax Act, Cap. 73, to permit the issue of tax free Sugar Industry Bonds.

The bonds, Sir, are in two tranches. One is a taxable bond, the interest thereon will be at such a level as to attract the large investors, like the insurance companies, and the other one is tax-free bond where the interest would be set at a level that will attract the private investor.

- (g) It also provides for the public accountability of the management of the Sugar Support Price Fund.

What this scheme is designed to do, is to provide a strong incentive to increase production over the lowly level which we reached this year.

And since we have been hearing a lot about the Barbados National Bank recently, and the weight that it has had to carry as a result of financing the sugar industry, it is important to mention that this Bill also has a stipulation that support payments be made into the accounts of those producers who are financed by a bank. The bank which does most of this is the National Bank, and in this way, it allows the bank to get away from these lock-ups which are badly affecting its liquidity and profitability.

The industry has assured Government that the cane pricing formula adopted in 1982, which is designed to help marginal but efficient producers to stay in business, will continue in subsequent years, until Government agrees to its modification.

It is a very, very important condition, because, Mr. President, we all have an interest in ensuring that the industry continues. And if it is to continue, then there must be a formula for the internal transfer of income related to efficiency.

It cannot continue simply on a system where if you are ecologically well located and your methods are not efficient you may receive rewards; but if you are marginally located or badly located and your methods are efficient, then you should suffer. People will just simply close down. They go out of business. They have no alternative, and the industry, with its employment potential and all its contributions to foreign reserves, will die. It is as simple as that.

Government also has an interest, arising from this, of course, in the industry moving promptly to reorganise

itself, to improve its management, eliminate anomalies in the pricing of burnt canes and insurance to cover cane fires, and then, again arising out of the February settlement, a review of the job classifications.

Mr. President, to arrive at this legislation has not been easy. It has not been easy, largely because when people talk about price support programmes, remember that countries which have efficient agriculture, and which get great benefits for their agriculture, the United States being an outstanding example, have very elaborate price support programmes.

We have for many years somehow managed without price support programmes in Barbados. I do not know that we can now push our luck any further, because we are really at the point of a collapse in the industry.

So for a price support programme for sugar agriculture to be worked out is not itself a problem, but the problem was the fact that we were organising a price support programme at a time when we had had a disastrous year, in fact, two disastrous years, and looking to a bad third year — “bad”, because sugar prices do not look like coming up for a little while.

The need, therefore, was not merely to support prices in the next crop, but to find a formula that would also deal with the 1982 disaster, and this is where the idea of the sliding scale came in so we now have targets set over a three year period, and in the event of *force major*, an extension to the fourth year; and once targets are met, then you get refunding of grants and refunding of interest and so on.

The Bill, I think you will notice, will take the 1982 crop as a starting off point, and if you are down by more than 20 per cent, you attract the full impact of the interest on the loans.

If you produce between 80 per cent and 100 per cent, in other words, the same as last year, or 20 per cent down on that, another aspect of the formula comes into operation.

If you produce 100 per cent, what you produced in 1982, or 120 per cent of that, then another formula, and over 120 per cent of the 1982 figure, yet another aspect of the formula.

So you have a sliding scale, which starts with dipping below 80 per cent of what you produced attracting, not quite penalties — at least it is still money available to you to get your crop going — but you attract the full interest, and going on to attract full benefits, depending on how well you do.

We are advised, Sir, that almost every producer — there may be two or three to whom this would not apply

— will be in a position to do better this year coming than he did last crop, and, therefore, one can see the rationale behind this kind of incentive. It is not that the targets are unrealistic, because if the targets are unrealistic then there is really no incentive to produce. The targets are realistic, and consequently the incentive scheme is there.

I think, Sir, that I should mention this. When you talk about a support price for sugar, we hear a lot about the sociological aspects of the plantation system. We are taken right back to the fact that sugar is a plantation crop, and that with the plantation came slave labour. We are taken back to the naked brutality of slavery. We are taken into a consideration of its permanent impact on the society and so on — none of which is to be denied.

But let us move now to where we are today, the 20th century. Having come through all of that, the sheer economic necessities tell us that certain things have to be done if the country, as a country, is to stay in business, and the imperatives, therefore, are that we talk economic sense and not merely seek to satisfy ourselves within the jargon of the social scientist.

They are social scientists, in fact, who prefer to comfort themselves with a “do-nothing approach” and to spit out a great deal of rhetoric and ideology. I am not referring to any social scientist, Mr. President, I want to make that very clear.

The point I am making, Sir, becomes clear when we recognize that there have been incentives in place for all other aspects of the economy for a long, long time. These were perceived as necessary if we wanted to attract industry, they were perceived as necessary if we wanted to develop the tourist plant.

It would appear that only if you are talking about sugar as an important area of the economy, which has traditionally been a sterling employer and a very substantial earner of hard currency, only when we are talking about sugar do we find ourselves getting into this kind of argument dealing with jargon, dealing with those who support the regimes that cannot get elected, but always get into power by the use of the gun.

Sir, I am making this point because I believe that no aspect of our economic activity ought to be so regarded that we should be afraid to stand up and deal with it and ensure that we do things to the lasting good of the country.

In our present financial circumstances, we did not think it wise — indeed, it would be manifestly unwise — for the support to be given to the industry by means of Government assuming the direct responsibility for pumping the money into the industry. This has brought us to a

formula which, really, is a much better formula than Government just putting money into the industry. What it does indeed, Sir, is that it calls on the whole country to recognize the central role played by the industry, and to play a part in continuing its existence and its rehabilitation.

Large corporations outside of Barbados do, from time to time, have to go public for bond issues, have to seek financing from the public, and what is happening here with the industry is, therefore, not something that is unknown outside. As I mentioned before, this has been done, however, with the guarantee by Government, because the industry is in such a state that you would have not been able to attract the money otherwise.

I want to mention just one thing, because people always ask why should the Central Bank have any function in this exercise. The question is answered by the fact that somebody has to act as an investment advisor in matters of this sort, and the Central Bank acts in this regard as an investment advisor, that is all, in the same way that the large corporations operating in the United States and other countries, when they are seeking funds in this way, the merchant banks act as the investment advisor. Nobody undertakes this kind of activity without an investment advisor.

I have mentioned already the fact that there is a similar bond issue, really, Sir — I did refer to the two tranches, but I did not say that it was to be a single bond issue of some \$17 million. And because the interest rates are coming down, evidently at this point the interest rates for the two tranches are not being stated. It won't make sense, Sir, to talk about 12 per cent, 11 per cent, 10 per cent, or what have you, unless at the time of issue that was the rate which was roughly the equivalent of the cost of debentures, and that is the kind of rate at which it is going to be paying the cost of debentures. At the appropriate moment, we will all know what the interest rate is, Sir.

I should point out that in an attempt — I am sure Senator Seale will be glad to hear this — not to tap the same market that he taps with BDB bond issues, the present thinking is that the minimum lots of the bonds which will bear a face value of \$10 000 should be \$50 000.

I am not suggesting that the Senator wants to hear this because he wants to take up any of the bond issue — although I am sure he wants to — I am only talking about the fact that the BDB looks to small investors when it floats its bonds, and therefore if you got down to an issue that was too small, then you might be attracting the same investors who would tend to look forward to making their little investment through the BDB bond issues. Also, Sir, the bonds will be retired in five years.

I want at this stage, Sir, just to detail the conditions, because it is evident that if Government is going to guarantee this issue, then there will be conditions which will reflect Government's policy to the industry — the things that Government considers must be done, things that have to be done right away, those that have to be done over a period of time — and so we find the following conditions attaching, Sir.

I mentioned already that all those with outstanding bank debts will get the proceeds credited to their bank accounts, so that the banks will have more liquidity, rather than having their liquidity affected adversely by the continued lock ups.

There are a few big operators who will get payments direct, in that they are not, perhaps, involved in the lock ups, but even they tend to have overdrafts, so indirectly it finds its way back into the system, to give greater liquidity in that sense.

But most of the people who will get the money paid directly to them, we should emphasise, Sir, are the small growers, because it is the small growers who tend to be cultivating sugar with the advantage of the generosity of the bank.

So when we see in the scheme that the money will be either paid into your bank account or paid directly, then it would be a little unfair for anybody to run around saying that it is going directly into some big pockets.

I think in another place at another time there are people who will bring the purchase of race horses into anything, and I think they have brought it into this.

The real point is that the people who get the money directly are those who come from the country and who know what goes on in terms of sugar, or a little bit about it; they know that the small growers, who in fact are responsible for 15 per cent of the production of sugar, so that is not by any means insignificant, are the people who will be getting the money directly for the reason that they tend to finance the crops more out of their earnings and putting their own labour into the operation.

I referred to the cane pricing formula instituted in 1982, and that is a condition that the industry must accept, that that formula will continue. As I mentioned, the essential characteristic or formula is compensation, not only for what the producer produces, but for what it cost him to produce, and so the country has been divided into six different ecological zones.

This is to get a realistic assessment of what is marginality and what is not, and therefore to be able to

come to some objective conclusion, or some conclusion by objective methods, as to whether the production you are achieving is reasonable in all the circumstances or whether your production is higher because you are an efficient grower, or it is lower because you are an inefficient grower.

I believe that we will all agree that while some producers have been modernising, have been managing along more modern methods, that some producers have not, and have stuck securely to the methods of, perhaps, the last century.

A lot of people in the industry do not like the formula because inherent in that formula is an internal income redistribution. For the same reason people do not like income tax, the same people will not like the formula, but the fact of the matter is, viewed overall, that the industry could die while those who are well situated continue to do well, whether they are efficient or not, and the people not well situated, have to go out of business, whether they are efficient or not; and those who, if they are well situated and are doing well, do not like the formula, should really stop and think of the fact that if we do not produce a certain quantity of sugar, they, themselves are going to be adversely affected in the long run.

I say this because we like to talk about windfall, and in terms of sugar it is important to ask the question, "What is a windfall?" Is it as the late John Wesley Corbin once said in the *Other Place*, "windfall is when the wind blows in your favour?" Or is it as the dictionary says, "a totally and unexpected profit?" Everybody in the business of sugar knows a couple of years ago we had high prices. Back in about 1974 when the oil crisis hit us, we did not feel the impact very severely, because it hit us at the same time they had high prices.

It is a cyclical matter, and although you cannot predict the cycles precisely, yet you can go back and look at it, just like in 1963-64 when there was a lot of noise around here about windfall monies, who wanted them divided, how they wanted them divided and other things. Whenever the industry has got a profit in recent years, you have been getting a fair amount of noise, but the fact is you have to take the peaks with the troughs, and it is reasonably predictable that you are going to have a good year. I believe the cycles hit you like four to five years. You get a good year and then you go down again and so on. In those circumstances, how can we talk about windfall?

When we come to deal with the other Bill, that is a point which is going to be taken up a little bit further. I am making the point here in this context because there

are many producers who have to wait for what you call "the windfall years" in order to make an ordinary profit, and that is what is extremely important, that we have, as we are now operating and as was agreed in February, 1982, a formula for cane pricing which seeks to reward the efficient.

Conditions also relate to not letting the industry shrink from the need, and not letting them shirk their responsibility, to re-organise and to improve the management procedures.

It is generally agreed that every aspect of sugar production in Barbados needs a hard look taking at it so that we ensure that the best practices and the best procedures are in place. This is something which every industry has to come to terms with.

If we look, Sir, at British industry, for example, you can talk about the Thatcher approach, which is let the inefficient die, let them go out of business. But we in this economy cannot afford that, and therefore what we have to do is develop mechanisms to ensure that those that are not as efficient as they could be are brought on further and further along the scale to peak efficiency.

After all, we are not talking about one little quarter, one little sector of this economy, that if it disappeared would have little or no effect. We are dealing with a substantial employer, a substantial foreign-exchange earner, which, when it fails, we feel the effect; and we feel it in a way that we do not feel it with the failure of any other sector because of the very high value added in this particular industry.

Let us face it. When we produce sugar, the extent of foreign participation in the process is very, very low; it is minimal, and what is more, arising out of our own research in sugar, local technology is having an impact on other countries around the world, so we are talking about something that we cannot allow to die. It is as simple as that.

If people who do not think that we cannot allow it to die wish to produce the alternatives, I think we would be only too happy to hear them, but at the same time, the danger of experimentation does not lie in the fact that it involves new ideas, new procedures and so on. It is whether we are going to measure the risk involved, and to put it in context with what we know we can achieve by other methods.

We also wish, and this is another condition, Sir, to see the anomalies in the pricing of burnt cane and the insurance coverage of cane fires completely eliminated. This, by some, has been described as the number one problem in the industry at the moment. It has to be

unattractive to everybody that there should be cane fires in this country.

We also wish to ensure that the review of job classifications, which was agreed upon during the wage settlement last February, should be proceeded with, and proceeded with at pace. The impact of mechanisation on the industry, if nothing else, would be enough to make the present job classification anachronistic.

Mr. President, I have sought as thoroughly as possible to go through this Bill. I believe I have dealt with all the points which could reasonably be dealt with in a Second Reading speech. The Bill itself is not a particularly long Bill, nor is the language difficult to follow, and what it seeks to achieve is, in my view, quite clear at a glance. It is what is behind that that I have sought to deal with, and in this way to recommend this Bill and put it into context.

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

Mr. PRESIDENT: I see Senator McClean drawing my attention. Do you propose to make a long speech, Senator McClean? If so, I would not wish to break your concentration and then come back. If you do not propose to be over long, I would let you do it now.

SENATOR A. W. A. McCLEAN: I do not anticipate I will be very long.

Mr. PRESIDENT: Very well.

SENATOR A. W. A. McCLEAN: Mr. President, looking at this Bill before us, the first thing that strikes me is that it seems as if the Bill has been mis-titled so to speak. It purports to be a Sugar Industry (Support Price) Act, 1982. Although I am not too sure what is meant by "support price", I have a better understanding of what is meant by "price support." It still seems to me that this Bill has little to do with supporting any price, or whatever. It is more to do with guaranteeing bonds, so it seems to be more a bond guarantee Act than a Support Price Act.

Looking at the content of it, it seems to me that unless due care is taken in stipulating the conditions as provided for in Section 5(1) regarding guaranteeing of those bonds, that, perhaps, we are just creating a mechanism whereby the Consolidated Fund of this country will ultimately be called upon to provide subsidies to, not everybody in the sugar industry, but to a fortunate few, perhaps, to ensure the maintenance of a satisfactory standard of living and income for such people. I say this not so much because of what is in the Bill, but because of what is not in the Bill, and because of some of the explanations we had as to how this grant system will operate.

I would like to speak first about what is really in the Bill. It indicates, under Clause 7, the purposes for which the monies can be applied, and two purposes are identified: to finance the operations of Barbados Sugar Factories Limited, that is under (a), and, secondly, to make loans to growers on such terms and conditions, including conditions as to the conversion of loans into grants and interest refunds and these conditions are to be agreed between the parties to the loan, that is, Sugar Factories Limited and the people who will be borrowing the money.

Now in terms of what we heard about the question of refunds of interest, it seems as if, on the basis of some targets — and if I misunderstand, the Leader of the Senate, perhaps, can correct me at the appropriate time — as though the refunds will be based on certain targets, and if you meet those targets you get the refunds, and if you do not meet them and perform very badly, you have to pay the interest.

I think this is consistent with a lot of our types of incentive systems, and they are really wrong-headed, upside down. The type of support system that you need in any situation is the support of the guy who finds himself in adverse situations through no fault of his own, not to give the fellow who is making a heavy profit a little more.

In this, the fellow who probably meets his target will end up, if you have good prices that year, being able to pay the interest, and you tell him do not worry to pay; but the guy who does not meet his target is the one that really needs some relief from the interest, but you tell him that he has to pay.

Of course, he will not be able to pay, and will default on his loan; and the Minister would say, 'well, the fund is short of this amount of money, pay it out of the Consolidated Fund,' and this is how it would work. But even if that is intended, I think it is not a most appropriate kind of arrangement.

The fund also indicates that a Sinking Fund should be established, and there are two channels through which money can be placed in this Sinking Fund. One is the interest on repayment of loans made to growers and the other is such other sums as may be paid into the fund for the purposes of this Act.

Now, part of my difficulty is that under Section 7(a) are provisions that the Sugar Factories Limited will be drawing money out of the fund for their own purposes to carry on their operations, and it is not clearly indicated whether they are going to be charging themselves interest or if they can just draw the money like that, using it and not lending it to themselves; and, also,

under what conditions the money which they draw out of the fund and the interest attached thereto will find its way back into the fund, because they are not the growers — they are the sugar producers.

It seems as though there is some area of grey as to how the Sugar Factories Limited, who will be administering the fund and also using money out of the fund for their own purposes, will relate to the whole thing, and what safeguards are there to ensure that most of the money which they use might not end up as a shortfall, chargeable, ultimately, to the Consolidated Fund, when the Minister declares that the fund will be in default.

I would think, basically, that those types of matters ought to be very carefully considered in implementing the provisions of this Bill, and, as I suggested, they ought to be especially considered in drawing up details of the terms and conditions of the Government guarantee which, I presume, will be brought before Parliament for approval at some later stage, maybe in the not too distant future.

At a different level, it seems to me that if this arrangement envisaged by this Bill should get off the ground, that it should be seen as an opportunity to allow the Barbados National Bank to extricate itself from the unfortunate situation which has been thrust upon it in relation to the sugar industry, making loans to plantations and so on. But at the same time, I would hope that, in extricating one organisation from its difficulties, you do not inflict the same type of difficulty, in perhaps as large a fashion, on the Consolidated Fund of this country.

It was said that this Bill is seen as a necessary feature in seeking to secure the survival of the sugar industry. In my view, the problem of the sugar industry in Barbados has never really been one of finance, it has always had access to finance. There have been more managerial and other aspects relating to the department of the sugar industry that were not thwarted into the development effort by lack of access to funds.

In fact, they have had too generous access to the funds to the point where they have access to the funds that they cannot really repay. So then, if there are problems with the survival of the sugar industry, they are more at the organisational level, the question of the modernisation of the equipment — and not necessarily mechanisation after the fashion that we are going — the question of introducing new technology into the refining of sugar and so on.

I think it is fairly amazing that in this day and age you can build a factory, Portvale, which is technologically distinctly similar to the ones that we have at the turning of the century. As far as I am aware, there is no new technological innovations in that factory, it makes the

same type of sugar in basically the same type of way. Perhaps at least this year they had a lower conversion rate, more in tonnes of cane per tonne of sugar. That might have been because of the teething difficulties, I do not know, but I will hope that that does not prove that, despite the fact that it is the latest factory, it is still one of the least efficient, come next season and the season year after.

I see the need to have, perhaps, financial arrangements for the sugar industry which would not lead to the collapse of some financial institutions in Barbados, but I do not see in this any kind of "cure-for-all" for all the ills in the sugar industry. And, indeed, one still has to ask a question whether or not it makes sense in Barbados to project down the line, the next 50 years, 25 years, whatever, an expanding sugar industry, a sugar industry which is larger than the one which we now have, which I think is Government plans. All the indications are that, despite all the efforts we have to expand, the thing is still shrinking, shrinking for very natural and unavoidable reasons.

The point about the high value added. It is true that the sugar industry is a high value added industry, but value added is not the main criterion of worth to a country.

You see, you can be making sugar, let us take sugar, and you are not importing anything to assist you in producing the final product, but when you look at what that is supporting, the sugar industry is supporting workers who are earning wages at the lower end of the scale — some of the lowest paid workers in Barbados are still the sugar workers — and we are told that the industry is not making any profits; so when you think of the resources which are tied up, in terms of the land, human resources and capital resources, and work out the return on those resources, you will find that you are not getting much.

You have another industry now, say, tourism, which might have a lot of foreign inputs, but supporting better wages for the workers and higher profits and everything else.

So it is not a question of what is the value added, but what the industry can repay to the resources in that industry, whether it is a good or bad industry, and, indeed, at the level of foreign exchange earnings.

If you are getting \$80 million, \$75 million or \$100 million, and you say 90 per cent of that is value-added, you may shout. But another industry may be giving you \$800 million, which is only 50 per cent value-added, but that is still only \$400 million that you are getting,

net which is four times as much as the 100. So you cannot go around shouting about the value added, you have to look at the picture in real depth to that.

I think, though, that I can generally support what I believe are the broad objectives of this Bill, but I hope someone will be vigilant and we do not find ourselves where we did not intend to go.

I thank you, Mr. President.

SUSPENSION OF SITTING

Mr. PRESIDENT: Can I have some indication as to whether honourable members propose to debate this Bill, whether members will like to speak on it? In that this would be an appropriate time to have a short suspension and come back refreshed.

The sitting is suspended for 45 minutes.

ON RESUMPTION:

Mr. PRESIDENT: This sitting is resumed.

SENATOR C. D. SEALE: Mr. President, Sir, as I was saying, I support this Bill, because, as a Barbadian, it is only natural that we should welcome anything at this time to help agriculture in Barbados. The sugar industry as we know has been through a very, very difficult period, and although Senator McClean says that sometimes the sugar industry may not need funds, at this particular time I think money is most welcomed.

Sir, a couple of weeks ago in this Chamber, I referred to the fact that I thought the sugar industry in Barbados required a shake-up at the top. I still think so, Sir. I think we have to get new ideas into management. We have to get ideas going through management that will motivate workers to produce.

If we take a look around many sugar plantations in Barbados, if you go into the yards, you will see that they are unkempt; there is equipment all over the place. If you go into any sugar factories, there is old machinery lying around inside. Everything looks in a dirty fashion, Sir.

Just making a worker proud of his work place motivates him, and I think that, without spending any money, the sugar plantations in Barbados could very well start to spruce up their places — just by a little sweeping maybe, throwing out a little old machinery and getting things looking better — so that that worker, when he goes there he will feel that he is working somewhere and he is proud to be there.

Sir, I did not realize when I came in here that the bonds would start as high as \$10 000, but I am going to pledge that my company will at least buy one bond. I also want to ask for the support of all the companies in Barbados. The sugar may employ 4 000 or 5 000 people, but it has a lot of indirect employment, and I don't think that my shopkeepers that I sell to could live without the sugar industry, so I have to support it.

Sir, another point. Senator Barrow answered on the point of race horses. I read in the report from the Other Place, Sir, that there was some mention of loans being channelled, through the Barbados National Bank, into other things than agriculture; being borrowed in the name of the plantations and going elsewhere.

Sir, that was a rather slanderous statement to many plantations in Barbados. I cannot speak for no other plantation, but my own and I can assure you, Sir, that my plantation has no loan, or has never had any loan, from the Barbados National Bank to raise any race horses.

However, what I can tell you is that it is a bit surprising that the gentleman who made that remark called me about eight weeks ago to buy a horse. Sir, I don't know if he was trying to raise finance from a bank to buy a horse and was turned down or what.

But I would like to let him know that he would be making a rather foolish investment by making a loan to buy a horse, Sir. I think, Sir, you will know about what I am saying as well. There is one little wee fact, Sir. The owners of race horses in Barbados are subsidizing racing about 70 per cent of the upkeep. *(Laughter)*

Sir, on another point, and this is to do with sugar, too. Over the years, Sir, the sugar factories which produced sugar used to put them in 224 pound bags, and now, some years after, they put them in 140 pound bags. I don't care how much forklifts we have and machinery we have, some human hand at some stage has to lift, and in all honesty a 140 pound bag to be lift around and moved around is a pretty hard job. I would like to appeal to them to use a certain amount of commonsense, Sir, to pack sugar in 25 kilo bags whereby not only the worker at the sugar factory will be eased, but certainly his counterparts in Bridgetown and in the small shops.

Sir, on the point of loss of jobs. We are going through a rough period. I am aware of my position as the Chairman of the Barbados Development Bank. I have to look at a number of balance sheets to make assessments of a number of loans, and I think that our bank is going to have to wear the hat of some fairy godfather or godmother in the next couple of months;

if not, I am afraid, that we are going to lose more than 1 000 or 2 000 jobs by closures.

It is a serious situation, and it is a situation which I think needs great attention. It is not a situation that has been created by Government. It is a situation that has been created by the world, maybe, and it is now getting to Barbados.

Sir, recession favours the strong at the expense of the weak, and I think it is a point we have to bear in mind. We have to create a certain environment in this country right now just to maintain jobs that are going. And I would appeal to the public at large to put their best foot forward, Sir, to try and encourage the workers to produce, because jobs are getting scarce.

I thank you, Sir.

Mr. PRESIDENT: Senator Howell.

SENATOR St. C. E. HOWELL: Mr. President, I rise in support of the Bill. It has come at a time when money in the sugar industry — agriculture as a whole, but particularly in the sugar industry — is very scarce, and, to my mind, coming at this time with this Bill, shows the foresight of the Government.

Sir, recent reports out of the London community market show that sugar has been at its lowest level for the last four years. Reports have also shown, Sir, I think it was last month in August, that to date there was a surplus of some 32.5 million tonnes of sugar on the market. The report further goes on to state that next year, by the end of the sugar crop, the world sugar market can expect somewhere in the region of an increase of one sixth to the already glut.

It is now, Sir, common knowledge that among the many things which have contributed to this world glut is the cultivation of sugar beet in the European Market, and, in particular, Sir, the European Economic Community's policy, where sugar producers and exporters have been subsidized for quite a few years, certainly over the last ten years.

Therefore, if we are to continue to encourage people in this country who are producing sugar, and if we are to adhere to our policy, that is, if Government is to continue its policy of encouraging land owners, both large and small, to bring idle lands into sugar production, then it is incumbent upon the Government to take this sort of step to put some measure into practice and thereby encourage people to bring these idle lands into sugar production, and to encourage those who are actually producing sugar to continue to do so.

The sugar industry, as I understand it, employs well over 4,000 people. Again, within recent years there has been much talk about diversification, turning away from sugar and producing other things, but today I know of no research which has been able to convince the people of this country that there is any other agricultural product which can be produced as economically as sugar cane. While research must continue, and we must never forget the practice of diversification, I am opposed to diversification simply for the sake of it.

Another important factor in the Bill is what can be described as "Government scrutiny as embodied in the Bill". To my mind, far too often matters relating to the sugar industry in general, not agriculture alone, disputes between labour and management, lead to a delay in the starting of the sugar crop, and, inevitably, within the last few years, Government has been brought into it.

This piece of legislation gives Government the opportunity to keep in touch and to scrutinise what is actually happening in the industry. The industry is viable to this country, and it is very delicate because of the world surplus and the like, so the Bill, as far as I am concerned, is welcome. It could not have come at a better moment in the light of the current trends with sugar production in the market.

With the increased technology in countries, even like Australia, all the trends appear to show that for some time in the future there will be some considerable increase in the production of sugar. While this is good in a sense — as the economists may tell you, it may lead to the price of sugar falling — we in Barbados must be in a position to stabilise the price and have some sort of price guarantee for the people who we are asking to remain in that industry and to bring idle lands into the industry.

I beg to support the Bill, Sir.

SENATOR L. A. WARD: Mr. President, I rise also in support of this sugar Bill. As the last Senator said, this Bill is very timely. In fact, when Government announced its support for the sugar industry earlier on, there were many marginal estates and small producers who were undecided as to whether they would continue to grow sugar cane at all, because it was completely uneconomical, and they were in such dire financial straits that they were seriously considering the discontinuation of the production of sugar cane.

Much criticism has been levelled at the management of the sugar industry. We are aware that we must continue to try to improve our industry. We are at a point in the industry where the abundance of workers is no longer there, and mechanisation has had to take over.

Mechanisation in the industry is costly. And it is not just buying a machine and putting it to do a job, there are other jobs that we would have to do, like land formation and whatever, to accept machines for them to operate efficiently and economically.

But, Sir, if you look at what has happened to other sugar industries in the Caribbean. The Barbadian industry has been the envy of other sugar producing countries in the West Indies. As the honourable Minister said in his presentation of the Bill — it has slipped my memory at the moment — but the other industries in the West Indies have been holding up Barbados' industry as an example of what should be done.

In the past, we have had no support, as the Minister said in his opening remarks, for our industry from Governments. In fact, when there was money available in the industry, this money was — to use a term — 'creamed off' at that point in time for other purposes, and if you take money from an industry when that money should be available to that industry and expect that industry to go through the troughs when it is in a loss position, you are going to wind down that industry, because there is no money to get it viable.

I believe research in the industry will prove that the industry has had a very, very small average profit over the years, and there is no industry where the efficiency of that industry can be upkept if when money is available if that money is stripped out of that industry.

I feel, Sir, that this Bill will give the sugar industry a lot of support, and I feel that it will be a means of allowing marginal lands and small farmers to continue to operate instead of those lands being lost to agriculture in the country.

I thank you, Sir.

SENATOR K. A. ROUSE: Mr. President, I rise to support this Bill, especially having heard the other two speakers make mention of the difficulties, as everyone knows, that the sugar industry is going through at this present moment.

When one looks at the industry and realises that one of the things that is destroying this sugar industry is the spate of cane fires, I believe that a stiffer penalty will have to be imposed on persons found burning the canes, and I am wondering whether insurance should not be totally abolished from the sugar cane industry.

It is alleged, and persons cannot produce evidence, that persons having large holdings do burn their canes in order to get them reaped. I had to suffer just at the beginning of this crop when 13 acres of my canes were destroyed and I was unable to get them reaped.

I had to pay monies for a year to grow my sugar cane, and other people have suffered this same plight in that you have paid \$X to keep and raise your sugar cane and then when it comes to the end of the growing of the sugar cane, it is destroyed and you get nothing from it, especially if you are not insured.

I believe, Sir, like other Senators here, that Government should try to encourage insurance companies not to accept insurance on sugar cane as a whole.

Now, Mr. President, again the small holder suffers, because only a couple of days ago other small farmers requested people to assist them in keeping the lands clean. A large estate pays \$19 per day to a woman and \$23 for a man. If a small holder requires such help, then that person asks the small holder \$20 a day for a woman and \$25 a day for a man, so the amount of money that I have got to spend to produce that cane is far greater than the person who has a large holding.

Then, I do not, nor do the other small farmers, get an efficient job done like that which is done on the larger estates, and this is one of the reasons why, as the last speaker said, these things do force, or was about to force, the small land holder out of sugar production.

I believe, Sir, that we have got to look at the sugar industry as a very important one. It has always been, and if we were to look around this country we would realise that at that time the only thing we had in our economy was sugar, and it built the Deep Water Harbour, it built the Queen Elizabeth Hospital, and it further upgraded the airport, which we are very proud of.

I believe that we have got to take a very serious look at this industry and try to maintain it as best we can. As other honourable members have said, the Government has got to be congratulated because of the timing of this Bill. It is a time when we have got to look at foreign exchange, and one of the things that we can depend on in this country for foreign exchange is sugar.

Now if an epidemic occurs in this country, tourism can easily disappear, but we have got to have a very severe drought in order not to produce sugar in this country. It is most important, it is the only industry that can really stand a little drought, and you can still pull out at the end of it if we get some rainfall. I thank you.

SENATOR THE HON. N. A. BARROW: Mr. President, it is a pleasure to reply to this Bill, coming after all these sugar producers large and small.

I was very interested in hearing Senator Seale, because a little while ago in this Chamber that was a Senator who sat in one of those two chairs over there where the Opposition Senators sit, and who was ready to attack the Government because ADC has on lease the lands that I think Senator Seale was referring to, but when he discovered that the terms of the lease were enough to cover the taxes on the land and therefore it was not an encroachment provision, he immediately got very quiet and very silent. I am sorry; half of what would cover the taxes, but the thing is renting the land at half of what would cover the taxes, and therefore having to finance that income from that source, the other half of the tax in fact saved Senator Seale money over the last two years. So I suppose in this sense he made a lot more money out of sugar than a lot of people who were running sugar plantations.

That is a very serious point, because I am not so far away from it myself, because my father owns some land, so I understand what it means when you get a crop burnt out before you start reaping. I also know what it means before when you get rained out and you are left with 75 percent of your canes in the land.

The sugar industry has had some very, very rough times, and I am very, very happy to find that in this debate this afternoon there has been a very realistic approach taken to the problems of sugar, and a general welcoming of the fact that the Government has brought a measure to support the price of sugar.

Senator Seale, for example, says that by increased efficiency in the industry, and without additional investment, at least five percent more sugar could be produced. Senator McClean talks about the problem being not money but organisation and management.

Senator Ward refers to the fact that with a declining labour force available to sugar, there has to be a reforming of the fields in order to take mechanical equipment, because you cannot put a harvester in a field that is planted the same way as you put a man in to cut the canes. You have got to first of all deal with relatively level land, and then the cane has to be planted in a trench in a particular way, and the haphazard cane hole method just would not do.

Now these are all points tending in the same direction, and there are points which any reasonable person — the Government, the planter, the worker — nobody can disagree with, but there is at this point in the sugar industry a need for re-organisation and new methods and management, because you are dealing with a new ball game.

That really is the point that emerges out of statements of that sort, and if we talk about other territories

in the Caribbean looking to Barbados, and what happens in the sugar industry, remember Antigua went out of sugar and decided to come back in, and it was to Barbados that they came for the technical assistance in order to reconstruct a sugar factory, and so on and so on. All of these are points on which members, generally speaking, of different shades of opinion normally, agree on.

When the late Senator Deane was here, we know that Senator Seale would not necessarily agree with the approach he took on some matters, and, similarly, you will find the same thing with Senator Ward and Senator Seale, and you will find the same thing with Senator Ward and Senator McClean, and Senator Seale and Senator McClean soon, but we are absolutely sure that at this one point there is a general recognition of the need to look at the thing nationally, and if I have a couple of comments to make, they are a couple of comments which relate really to Senator McClean's speech.

Senator Howell put his finger on the pulse as far as I am concerned, and I think he dealt effectively with one aspect of Senator McClean's comments, because Senator Howell was the person who posed the problem whether there was any other agricultural product that we can produce as economically as we can produce sugar, and then he went on to talk about being opposed to diversification for the sake of diversification.

I am at a loss to find out what Senator McClean's point about value-added industry was, if it was not to suggest that we are too well wedded to the concept of sugar; and this is why I think that Senator Howell's point goes to the heart of the matter.

We have to proceed on some reasonable basis. The reasonableness on which we have to proceed has largely to do with experience, and has largely to do with what technical advice we can get; whether through research efforts ourselves or making use of research efforts of other people. If we decided that the land in Barbados was to be used to do something other than sugar in the main, we will still have to develop an industrial infrastructure, such as it exists for sugar, because the lands in Barbados will produce ever so much more so many times than we in Barbados can produce ourselves, and therefore we would still have to organise for export.

I want to know what country in this God's world is able to organise for export and does not have a very important and significant element of subsidy, support, call it what you may, for its agriculture? And I am talking, Sir, about the well-placed countries on this earth; whether there are selling wheat and maize or what have you to the Russians although telling other people not to sell pipeline technology or whatever it is they are selling, you tell me which of them do not have very firm price support policies?

Senator Howell referred to the EEC and the beet sugar problem and the fact that there is so much subsidised agriculture. This is the name of the game, Mr. President, and this is what we are up against.

I do not know there is anything more than arithmetic to tell me that if an industry with a value-added of \$400 million makes \$800 million, that you are better off than if an industry with 93 per cent or 94 per cent value added brings you \$100 million. That is, in my view, Sir, arithmetic, and with all deference to Senator McClean, I do not think it relates to our current economic circumstances.

We have to be talking in terms of real alternatives, and I want to make the point that I am not ready to be moved from the premise that it is bad economics for any country to allow its agriculture economy to collapse. We are not yet in a position in this country where we have the knowledge, the secure knowledge, or not even the suspicion, that the sugar industry is replaceable by another form of agriculture. I just want to make that point.

The point is that sugar agriculture may not be perfect — I do not know what agriculture is — but certainly it would not make sense to plant all the lands in Barbados in vegetables when a very small section of the lands can keep us self-sufficient in those vegetables we can produce. Unless we can be sure that our agriculture can be directed towards some significant export crop, we are jokers in terms of our thinking of agricultural policy. That is my fundamental point.

The point I want to take up at this point also is that Senator McClean said, and as a general truth this is not disputable, that a high value-added industry is not the whole point of any argument. Whether an industry can pay the resources to be used in the industry, is the point. A general truth, — that is so. But then to go on from there and posit that the sugar workers are the worst paid in this country, is a little off centre. You have to know about the garment workers, and what Opelika is all about.

SENATOR A. W. A. McCLEAN: On a point of explanation. I did not say "the worst paid", I said, "among". So I am not saying that they are at the bottom of the barrel, but not too far from.

SENATOR THE HON. N. A. BARROW: The point is taken. The point I was going to go on to make is that of itself it is not satisfactory that workers are the lowly paid in any industry. I want to go on and make that point anyhow.

So whether the point was made as I stated it or as the Senator has now corrected me, the point is that while we recognise that it is not desirable for workers

in any sector of the economy to be lowly paid, we have to face one other point, Sir, and it is this; that until there has been a great measure of reform within the agricultural community and a larger degree of mechanisation which makes it possible for better wages to be paid — and we must understand that the price of that is pure employee — then it seems to me a little short of being an academic point to ask for nothing else.

We have to recognise that every sector in this industry cannot pay the kind of wages that the tourism industry pays. There are some people, incidentally, Sir, who argue that the wages paid in the tourism industry may not be unrelated to the overall cost of the tourism plant, and that the cost of the tourism plant is such that it is demanding a level of rates to keep it going, which are themselves disincentives to the continued growth of tourism.

Now, I have not studied it, and I am not prepared to posit that myself. But we have to understand that wages in Barbados have, in fact, come a long way; but we are still a country of modest incomes. The people in this country who are rich do not have a pittance compared with the incomes of people in other countries who are really rich, but at the same time we are in a position where we know that the stark realities of poverty in some countries is not known in this country, thank God, so we have to recognise that we are caught in that kind of a middle position.

We would like the wages to be higher, all through, but the wage and salary differentials which exist in countries — and I know very well — do not, to anything like the same extent, exist here. And I believe that this is going to be one of the points that people have to consider when, in a very short time, the legislation comes here in relation to civil servants' salaries.

We have to recognise, Sir, that we are not rich, and the wages are not such for people to roll around in money in any level of society, but, really, overall we are not doing badly; and we do not have the differentials between the wealthy and the poor being very poor, rich being extremely rich and the poor being very poor. We do not have that in this country, so I am not able, really, to join in the condemnation of the sugar workers wages.

My attitude is a positive one, but there has to be a change in the sugar industry. The whole management and organisation in the sugar industry has to be changed. If agriculture is to become an attractive area for our young people to go into, then there is going to have to be better conditions and more mechanisation; and when that happens, then we would hardly be talking about the low level of wages in agriculture.

I believe, Sir, that those are the facts of the situation and that they have to be faced squarely. I don't believe that we can reasonably just treat the argument in the way my friend, Senator McClean, has tended to treat it this afternoon.

It is all right, Sir, to talk about value-added industries bringing in so much although you have to pay out so much. Right now, I would love to know that the tourist industry which has to pay out so much, in terms of foreign exchange and so on, I would love to know that it is bringing in some real dollars. But the reality is, Sir, that we are not in that position today.

There are a few other points relating to Senator McClean's argument. He is talking about the fact that this thing is upside down; the refund of interest if you reach your target, and so on.

The fact is that there have been generally bad times in the industry, and what the Bill represents is a general Bill to support the issue of bonds, because it is a general problem in the industry.

It is not something here designed to support bonds which deals with specific problems in the industry and specific sections in the industry — and it may be clear to call it a bond guarantee rather than a Price Support Bill — but the fact is that the means by which the price is to be supported in through the issue of bonds.

So to call it a bond guarantee rather than a Price Support Bill is to leave the aims alone and just go for the means, in raising bonds to support the price. Therefore essentially, it is the Support Price Bill. That is all it can be.

There is one point which I better deal with before I go on — Section 7 about Sugar Factories Limited being able to employ some of the same money for their operations. There is in that section, "subject to the direction of the Minister of Finance." I want to draw attention to that, because in other words, the conditions under which they can do it are subject to the Minister's directions. You see, it says, "subject to any general direction which the Minister may at any time give regarding the administration, the fund shall". So if you give a direction to the effect that there should be no loans from the fund other than at interest rates of so and so, or what have you, then obviously, I think the point is met. That is there in the Bill and it is obvious for people to see.

The point about the Consolidated Fund being called upon — the point has been made in the Other Place and I wish to repeat it, Sir, is that the price of sugar in 1982 is, in real terms, below the price of sugar in 1965. You have to make a decision — can you ask an industry that is in bad shape, and that you are bailing out because it

is in bad shape, to continue to subsidize the price of local sugar? That is the question you have to ask.

You don't ask any other industry in Barbados to subsidize the consumer. I don't know that you can ask an industry in bad shape to subsidize the consumption of its product. I believe, Sir, that is basically unsound. If you continue down that road, you are going down a road that leads to eternal ruin — it cannot lead you to anywhere else.

That is one of the important points, because that is a means of ensuring that the ultimate strain is not borne by the Consolidated Fund.

I believe that in passing I dealt with the question about the wisdom of the Government's policy of expanding sugar production. I believe I raised enough questions on the point, and made enough statements, but let me put it again. The fact of the matter is that nobody has yet begun to show us a means of producing anything else more efficiently, and the hope — not even the expectation — but the hope of another viable export agricultural industry. Until such time, policies in that area must be directed to restoring the industry to such health as will ensure its viability, as far as we are in a position to do.

Just let me close, Sir, by referring to the fact that when a President of the United States is faced with the problems of supporting wheat growers, he is faced with a problem of sectional interest to a much larger extent than we are when we are faced with problems of trying to ensure the survival of the sugar industry.

While no country goes forward when its agriculture goes down, is ruined, unless there are special circumstances such as can happen when — it has happened, in fact, when oil was reigning king; while, generally speaking, you get agriculture coming to a particular point of efficiency, and you get other industrial development moving on a pace — and very seldom do you find an example of rural growth in a country where agriculture goes down — big countries do not hold back from supporting their agriculture.

If we think we are going anywhere in this world, we cannot hold back from supporting agriculture either. In the same way that big countries will not be asking, "what else besides wheat, because we have so many billions of bushels stored?" Here where we do not even have that agricultural diversity, I think the onus is a very serious national onus that we have to protect the major indigenous agricultural industry in this country.

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. N. A. BARROW, the Senate resolved itself into a Committee on the Bill, SENATOR J. C. W. WICKHAM in the Chair.

Clauses 1 to 12 inclusive were called and agreed to.

The Schedule was called.

SENATOR THE HON. N. A. BARROW: I beg to move that the Schedules be the Schedule to the Bill.

The question was put to the Senate and agreed to.

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

The question was put to the Senate and agreed to.

Mr. PRESIDENT resumed the Chair.

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

The question was put to the Senate and agreed to.

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

The question was put to the Senate and agreed to.

THE SUGAR INDUSTRY ACT, 1982

Order No. 5 was called – To move the Second Reading of a Bill to make new provision for the development of the Sugar Industry and to consolidate certain enactments related thereto.

SENATOR THE HON. N. A. BARROW: Mr. President, as I said earlier, this is the Bill which we had hoped would be here with us, and it is urgent that the one we have just done, which honourable members have been so co-operative to get through this afternoon, and this one should be passed at this sitting. However, as I said before, one cannot be unreasonable if for any reason members cannot allow it to continue. If that is the case, then, after I have finished the Second Reading speech, we may have to come back in a day or so to try and finish it, but I propose at this point to introduce the Bill.

It is, as you look at it, a fairly sizeable measure, not like some we have done with hundreds of pages. It is only about 40 pages, and therefore may be a little daunting, but as I said I am quite prepared to go right through the Bill to ensure, as far as possible, that members can follow it with me and then, perhaps, I may be able to persuade

honourable Senators that we can also take this one this afternoon.

What I explained before is that if we look at the previous Bill, the previous Bill defines certain things in terms of reference to this Bill, and therefore it is an inadequate legal framework for people going out to issue bonds if both Bills are not passed at the same time. What will happen in fact is that the bond issue will simply have to be held up until this one can also be put through Parliament.

If we look at page 2 of the one we have just done, we will see we are talking about Barbados Sugar Factories Limited having the meaning issued to it by Section 2 of the Sugar Industry Act 1982, and if we talk about the sugar industry it has the meaning assigned to it by Section 2 of the Sugar Industry Act, 1982. As Senator McClean pointed out during debate on the last Bill, Section 7 of the Bill which we have just completed action on, places in the hands of Sugar Factories Limited the administration of the bond issue, and that is the vital connection.

It could have been that the draughtsmen could have done it differently, but since it is done this way.... I mean, I am aware that the legal advice on the point is not to go out until both Bills are passed, and one can see why. The body which is to administer the fund to which you are asking people to subscribe by way of a bond issue, is awaiting definition when this Bill is passed.

Sir, this is the second legislative measure in the package which we seek to assure the economic viability of the sugar industry. It establishes a Sugar Industry Research and Development Fund financed by a new levy, and it abolishes several existing sugar levies. It defines what is considered to be a financial surplus arising out of the operations of the sugar industry and prescribes the manner of its distribution. That is Parts II and III. You will find, Sir, that it consolidates and updates a number of existing Acts relating to the sugar industry.

For example, Part IV is reference to the Sugar Industry Provident Fund, which exists principally to pay pensions to those sugar workers who would not be covered by the National Insurance Scheme.

The levy for research and development is 1.2 per cent of the ex-factory proceeds of sugar cane processing establishments, and it replaces the former Capital Rehabilitation Reserve, Price Stabilisation Reserve and Labour Welfare Fund levies.

These levies were introduced in 1947 throughout the Caribbean to deal with problems resulting from the depression of the 1930s and also problems arising in World War II. Since that time we have had diversification

of the economies of Caribbean countries, we have had the disappearance of sugar from some of the Caribbean countries, and countries throughout the Caribbean recognised how obsolete these funds were and therefore they came to be abolished.

If we just simply abolish the funds, we will find that we have no funding for research and development other than what may privately be arranged. Research and development are absolutely essential if we are to keep up with technological advances elsewhere, and if we are also to continue to export some of the examples of our own technological progress in this country.

If you take the Australian sugar industry as an example, we find that investment in this area pays handsome returns, and there has never been any argument that individual growers cannot afford to finance research and development, therefore it can only be done if the industry as a whole pays for it. It has to be jointly financed by all producers.

I should point out too, Sir, that the effect of this provision is not merely to make provision for research and development, but indeed to increase the amount of monies available for research and development. I should point out also that if I can talk about export of technology from Barbados, I must at the same time be talking about research and development already going on.

That research and development has been going on as what one might call an informal matter, and privately financed within the sugar industry, but it has achieved very significant results which, I believe, all of us in here know, Sir.

The proceeds of the levy will be administered by an expert committee composed of Government, industry and worker representatives, the heads of the research organisations involved, and leading members of the scientific community. This committee will monitor the work programme and allocate resources, taking into account the specific conditions, constraints and needs of the Barbados sugar industry.

I have pointed to Part IV which deals with the Sugar Workers Provident Fund, and that, Sir, is to point out that of the four sugar levies, that is the only one that will remain. This remains, as I said before, because it finances retirement pensions and funeral grants for sugar workers not eligible for benefits under the National Insurance and Social Security. The levy, fixed annually in accordance with the requirements, will gradually decline as the number of sugar workers not covered by Social Security diminishes.

Under the new arrangement, the industry will be subject to two levies in place of the previous four, and

I have stated what these are, the Research and Development Fund and Sugar Workers' Provident Fund levies. This is the way by which we propose to remove a number of inefficiencies and inequities and make for the better allocation of resources.

There is a point which I think I ought to make at this stage which has to do with this same point of inefficiencies. I was in fact going to deal with the rate of existing levies, and I think I will come to that in a little while.

Now we talk, Sir, also about specific surplus sharing provisions, and when I was dealing with the other Bill, I was at pains to point out that since sugar is a very cyclical matter — to talk about wind-fall is really not on, and that we can see the peaks and the troughs, and we can fairly well predict them.

Now it is because of these violent fluctuations, both in the sugar production and in incomes, incidentally, that there is Part III of this Bill, because its intention is to buffer the effect of these swings and reduce the areas of conflict between capital and labour over a division of industry profits. In this part of the Bill, a surplus is defined and it is specified how it is to be computed, and the manner of its distribution is also prescribed.

You will also find in this part of the Bill, Sir, provisions relating to the examination of the financial information in the industry and the dissemination of that information required to be collected under the Act. This is to make the economics of the industry more transparent.

Since the Crown will now participate in the surplus, the Sugar Export Levy Act, Cap. 91A, is repealed. We are not merely adding another levy and calling it a share in the surplus. In other words the Crown will no longer take a share in some of the exports, but will get a part of the proceeds from what is designed as a surplus.

If you look at the idea of defining a surplus, what we find is that two of the important production costs are recognised — capital and labour. And while labour may be determined by the wages and salaries set by negotiations, and therefore we see what share should go to labour, our return on capital is a rather different matter. That cannot be handled by negotiations. In bad times and you get no return on capital, what happens? Then, in good times, and you get a larger than expected return on capital, then what happens?

So you will find that the Bill, which, incidentally, does not stop anybody from negotiating wages within the industry — I want to make that point very clear — does

stop the haggle and hustle over what people want to call a windfall.

You call it a windfall, and you want it, but when there are losses that is not part of your business; and this stops the hustle and haggle over that by saying that if you are entitled to a fair return on your capital, the worker is in turn entitled to fair wages and fair salaries in the industry — one can be negotiated and the other cannot be — and there is a legislative formula to ensure that there is a reasonable rate of return on the investment.

I want to point out also that while that rate of return on the investment is arrived at by a formula which will give a return something similar to if you had invested the money in debentures, so that you can see roughly what you are talking about — it is not an exorbitant level — it is a little higher than that because there is the consideration for the risk which the investor is taking.

I do not think that point, Sir, has to be explained in any detail. You only have to ask a question, "If you can put the money on paper and get 'X' amount for it, why should you have to go through the business of putting it in sugar and get the same 'X'? If you are going to risk your capital in the industry, evidently there has to be some higher rate of return, or the industry will close down. It is as simple as that.

Where the rate of return to capital is not what we call a normal rate of return in the deficits, then deficits are allowed to be carried forward. After the surplus, after the capital and labour had received their basic returns, and there is surplus, and all the other costs have been met, then the Barbados National Bank has first call in order to bring the funds entrusted to it up to the value expressed in constant 1982 dollars.

What is happening here, Sir, is that there are revolving funds — the Sugar Industry Capital Investment Fund. The carry over Sugar Financing Fund and the Small Holders Mechanisation Fund — and these funds have to be kept proof against inflation. Otherwise, we start out now with allocations, and in a few years time there will be no money in the funds.

So we have a formula built-in to ensure that the funds are kept proof against inflation and in this way we assure the availability of at least a minimum amount of capital to modernise the industry, and, also, to establish rules for the distribution of extraordinary profits.

Once we have determined the surplus and the bank receives what will make this plan inflation proof, then the division is between the Crown, the sugar workers, the sugar cane growers and processors.

The rest of the Act, Sir, provide for the consolidation, and a conforming to today's requirements, a number of other statutes, and in the Second Schedule you will find a number of Acts repealed.

Now there has been some criticism that the Bill is not a comprehensive Sugar Industry Bill. I have tried to meet that point before, and let me repeat it. Do we legislate for the sake of legislating? Senator Howell says he does not agree with diversifying for the sake of diversification. If you can achieve legislation, achieve the effect you want by negotiation; and where this has happened in some instances, why then go and legislate in this Act the same things you have achieved by negotiation?

I believe, Sir, we all ought to be aware that, if we are dealing with things that are not static, and conditions within industry change; if we are dealing with things that are not static, there must always be that framework that will allow for a certain amount of manoeuvrability. Where it is necessary to legislate, you will therefore legislate; and where it is not necessary, there will not be legislation.

You will find, Sir, that what we have done is a clean up of the existing legislation, but we have left certain things untouched. The Minimum Wages and Guarantee Employment Act is not touched. The Cane Mosaic (Eradication) Act, even though this is regarded as an Act of obsolete provisions because the disease has been largely overcome — in fact, it is not known now in Barbados — as a result of the cane breeding, the research and development that we have been talking about; we do not know that that or a similar disease cannot come back. Therefore, we have not repealed that.

If you look on the Second Schedule, Sir, you will find a number of Acts repealed. What we have to remember is that this legislation which is affected by today's Bill is legislation which was passed a fairly long time ago. All of the legislation pre-dated a single consolidated sugar factories company; all of it, as has been said, by boards, then committees, then there were sugar mills, and there used to be a lot of sugar mills.

I have already touched on the nature of the levy provisions for research and development, such as they were, and I have already made mention of the fact that we have, for example, the rest of the world to look at in terms of putting money into research and development. The provision allows for a committee, but if you look at it carefully it does something else, because it opens up certain questions for government's scrutiny.

The appointment of that committee is an extremely important point, Sir, because you can continue privately

doing and getting some results, but if you are in the business of doing any real research in any agriculture, and if you are a reputable public body, you have a better chance of re-funding research activity and, therefore, the possibilities become that much greater. We have some evidence that already some outside financing is beginning to be attracted.

Another point which we must understand if we talk about increasing the contribution for research and development, is that we also have to understand that in this area, Barbados, over the years exercised a position in the sugar industry disproportionate to its standing size. And today's outstanding example is the cane harvester which was developed right here, and which is being sold in Indonesia, Malaysia, Puerto Rico, and in Ecuador. I am told we are now also in the midst of developing a new machine. So out of our research and development you can see an economic spend-off.

I should point out, Sir, when I was talking a little while ago about Part 3, that the provision for the sharing of the surplus is not in itself unique. It is not unknown for industries to take into account both the cost of production and a reasonable rate on the investment. But what we are achieving here is a unique way of achieving this, in that the method combines the guarantee of the Government, capital and labour, with a share for the Crown and also the inflation proofing of certain investment funds.

I also would like to make mention of the old levy funds. I believe that I have dealt with the windfall point, and I think we referred to it in an earlier Bill and twice in this one. But I should mention that the funds, which I talked about a minute ago, and a special small-holder mechanism, which is for financing thousands of dollars of concessions for small holders, are already in operation; and the point I want to make is that these funds are being administered through placing the money with the Barbados National Bank. This is what I wanted to say about the old levies, because the old levies used to be placed with foreign banks. These levies will feed into the same sugar industry from whence they came. The old levies were not fed back into the industry.

So it is a very, very important difference in the approach to the whole concept of levies and what should be done with the money. This is a system of levies which will enrich the industry and enhance the industry's chances of becoming vibrant once again. The old system was a way which Senator Ward called "creaming-off." It is a very distinct and fundamental change.

For those of you who want to know what you are doing for the small holders and why you are not doing any more, I ask the question, "How are we to facilitate the field equipment at concessionary rates?" There are

some people — you can do whatever you want — the evidence can be as clear as everything — they will always say that you have done nothing.

Now, there are a whole number of things, ways in which small holders benefit, and if we were dealing with a full scale agricultural debate we could trot out a whole number of things, but if you look at the previous sugar industry legislation you found levies and you found things like the Capital Reserve Fund and so on, but nowhere did you find any specific provision for the small producer. I challenge anybody to check the laws and find a provision for the small producer in the sugar industry legislation prior to this Bill.

I believe I am almost through with the point. The other thing is, because there is a formula for settling what shall be defined as "surplus funds" and how they are to be dealt with, some people have had the temerity to call the Bill anti-labour.

I believe that the windfall dispute in 1964 was between those, like the present Minister of Health, who fought and argued and campaigned that the so called windfall monies should be paid directly to the workers, the share which it was decided the workers should get, and those on the other side, who are not in Government today, who argued that part of the workers' share should be funded.

I am not too sure who is in a position to talk about legislation being anti-labour, because the forces of labour in 1964 rose up and ensured that none of the money was funded, but that the money be paid directly to the workers.

I believe you can have it one way, but not two. If you argue that wages in the industry are low, then you are saying that when monies become available to the workers they must have it. You cannot argue that the wage levels are too low and at the same time argue to withhold money from the workers in the industry. What some people will have is to argue now that it is low, but to argue in 1964 that it was lower, and the wages were lower, and that you should withhold money from labour. I know you cannot have it both ways, and I do not really think I can waste more time with that argument.

The important point is that in the day to day business of settling wages in the industry, the collective bargaining process is undisturbed. That is what is important.

There was an argument, too, Sir, that when we talk about provisions for returns on capital, that this is a provision which favours the industry and not the worker; that there be a fictional increase of assets, they say.

Now, I think I see in the Bill the basis for the whole thing is the tax rates, insurance coverage, depreciation rates. So we are being asked to believe that reputable auditors are going to put their seal on accounts in which one value is placed on fixed assets for one purpose and another value for another purpose.

I am afraid that I can't buy that argument, unless I have positive proof that there is fraudulent practice rife among the auditors in this country, because that is what that criticism certainly implies.

For those, Sir, who, even though it is a more logical and realistic system of levies, would still complain, I wish to just issue one reminder. We need to find out how the capital requirements of the industry were financed over the last two years.

The Bill is anti-labour, they say, but these same existing levy funds were used to finance the capital requirements of the industry over the last two years in order to prevent the industry from collapsing. The people who want to argue that it is anti-labour can go outside there and argue how they will keep people employed by collapsing the industry. If you write foolishness in the papers from time to time, that is one thing, but, really, if you are standing up as a Member of Parliament, you have a duty to be far more responsible.

I believe, Sir, that the framework of the Bill should now be clear to members who might have had a chance to glance at it previously. The first two Parts of the Bill are the parts which do something new, the Research and Development in Part II and the surplus monies provisions in Part III. The rest is nothing new — the consultations, a little bit of updating here and there — but we could not very well repeal cane weighing provisions, and I have already explained why the Provident Fund provisions have to be there.

So, really, the focus of this Bill is whether we should in 1982 make ample provision for research and development funding, because if you disagree with the principle of this Bill, that is what you are disagreeing with — whether in 1982 we should have a formula to determine what are surplus monies and how they should be distributed, and remove once and for all this opportunity for rancour which only stops the crop from getting started and really does nobody any good, because in the long run everybody is the loser.

Also, whether the provisions for the Sugar Workers' Provident Fund should be continued; that is also one of the things in this Bill. And if you look at the Second Schedule and see what is repealed there, after hearing what this Bill provides for, it is only if there are disagreements with those things that I submit that there can be disagreement with the provisions of this Bill.

In principle, it is the second of the two measures forming the legislative part of the framework for the rescue and rehabilitation of the sugar industry. That is what this Bill is all about. It is a companion Bill to the one before us. One deals with price support, the other one deals with making adequate arrangements in the industry for its management and control.

If sugar is to have a future, there can be no doubt that research and development provisions must be supported. If we are to get away from the theory that when you lose money you take your losses, but if you ever make any money then you are not even to get a settlement of the deficit you have been carrying forward — because let us face facts, anybody in business knows whether you carry forward the deficit on your books or not, you are carrying it forward, it cannot disappear; so if we are to put the industry on a proper footing and restore it to good health, this measure is at least as important, and indeed in the long term it is a far more important measure compared with the measure which we have just passed.

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

SENATOR A. W. A. McCLEAN: Mr. President, I should like to make a few observations, specifically on Part II dealing with the surplus and the sharing thereof. I would like to suggest that the provisions whereby the portion of the residue which goes to the workers is determined in relation to wage and salary costs as a proportion of the overall cost of producing sugar, can perhaps give rise to more difficult industrial times, because it will mean that at the time of settling the basic wages you are also settling, in some degree, the level of surplus which the workers will get when there is a surplus; that is, the lower the wages are and the lower the proportion of wages to the overall cost, the lower the proportion of the surplus the workers will get.

But, basically, what would induce workers to settle for low increases is if they feel they can make it up on the surplus. Their surplus will be enhanced by that fact, so if you had a formula which gave the workers a 60 per cent of the surplus, and the surplus became larger by virtue of their settling for low wages, they would get more out of the surplus. But now, with this proportionate scale, the worker settles for less; the surplus becomes larger and the worker gets less of the surplus.

So this is going to suggest that if the union has a full understanding of these things, they are going to bargain to the hilt. And do not come with any difficulties, because if you miscalculate your difficulties, the workers are going to suffer — and the basis of this formula is "no come back". So you have to bargain right down the line; you take your losses when they come, we take our chances when we are bargaining to get settled wages.

I would really suggest that that formula be changed to a more fixed one, where you have settled proportions which do not relate to the vagaries of what proportion salaries and wages happen to be.

Again, it is open to some abuse. I was looking to see if there is some particular control over determination of production costs. All I see is, and this is Section 17, where the Barbados Sugar Factories Limited must provide information of production costs to the Director of Finance and Planning — but I do not see anywhere whether the Director of Finance and Planning can reject those figures and substitute others.

And those who are familiar with these matters, like companies costing out their services, will know there is considerable scope for varying your estimate on your production costs.

Sometimes in the interpretation of things that happen, and in the context of Barbados, apart from that type of scope is the additional scope where there is a tie-in between the people who are the majority shareholders in Barbados Sugar Factories Limited and so on and so on, and they tie-in their costs in relation to supply.

If they are getting something from Barbados Shipping and Trading, and Barbados Shipping and Trading is also a major shareholder in sugar factories and whatever, you can supply the thing at a slightly higher price so that the production cost goes up, so that the surplus is locked in and the workers do not get it.

These abuses are possible under this particular formula, and I would think that Government would be very well advised to have a formula which does not lend itself to the creative thought of the owners of the sugar industry.

I notice also that the shares that go to the growers, I think that is Section 20(3)(c), are up for negotiations between the processors and the growers.

Again, I do not know if this is going to lead to a harmonious situation. It might if it is one and the same interest, but you might very well find that again if you have growers who are producers, and the growers who are producers are in the majority, they might force the growers into an agreement which is favourable to the producers because they get on that side, and the small growers do not get much.

So these are types of things which I believe the Government should be aware will happen and design the legislation in such a way that the small man does not get the squeeze. If I was advising the people, I would tell

them how to squeeze the small man quite readily with great facility in this distribution here.

I think that the Bill, really if it purports to be concerned with the small cane grower and the worker and so on, is not very well constructed. It leaves a lot of room for people to take advantage of them.

On the more general point, again this is, perhaps, seen as bringing some type of order to the sugar situation to enhance the possibilities of redevelopment of the industry. In a previous Bill, I made reference to the fact that maybe we are not thinking along the right lines in relation to the way in which the sugar industry will eventually develop or move in Barbados, and my remarks then were taken, somehow, as suggesting something adverse about the sugar industry and the wages paid to sugar workers and so on; and the question was posed, "Is there a viable alternative in terms of agricultural export industry in Barbados as sugar?"

That is not the question to pose, because my response to that would be that in a small economy such as Barbados, there is no substantial future in export agriculture.

Export agriculture is, and will continue to be, the preserve of countries with large land masses. Those are the ones who can really get something out of it. That is why America still is perhaps one of the leading agricultural countries in the world — by virtue of the amount of agricultural land they have available.

We would always be an appendage on the tail end of whatever crop we go into. So as far as there is an agricultural future for Barbados, it has to be inward looking, based more on providing the inputs not only for food, but maybe raw materials for other activities.

I am not necessarily saying that you have to get out of sugar either. Sugar canes can be used for things other than semi-processed sugar which you send abroad in a half-raw state and so on, but I am most disturbed that people can sit complacently by and say we do not even have the foggiest idea about what we can do beyond what we are doing now.

That, really, is suggestive of calamity somewhere down the line. If you do not have an idea, well, we had better get one very soon. It is not my job to give you an idea. All of these people doing research, the ones you are talking about, it is their job to put it in writing.

I thank you, Mr. President.

SENATOR J. C. W. WICKHAM: Mr. President, I choose to speak immediately after Senator McClean

because I am concerned about the question of research quite rightly, the Leader of the Senate has pointed out the contribution which Barbados has made to the development of sugar through its research, but I want to ask two questions:

- (1) What part does the Research Department of our Ministry of Agriculture play in the development of sugar technology, and
- (2) What part does CARDI play.

We pay a considerable amount to the Caribbean Agriculture Development Institute and I really do want to know whether we are getting value for our money; whether we have to put money into the research aspect of this new Act when in fact we have a research development institute headquartered here with very special terms of reference and conditions of employment for some of its staff. Are there, in fact, making a proper contribution to one of its supporters?

They are two very simple questions, Mr. President, but I think they deserve an answer.

SENATOR St.C. HOWELL: Mr. President, obviously what has been said about the last Bill can, to a large extent, be said about this one.

It is again, as I started out to say in my last speech, the surplus in the production of beet sugar and the increase in production in Australia is as a result of research.

Sir, one of the criticisms levelled at the industry in this country is that whereas there was much research in Europe and Australia, that the industry in this country was producing more or less along the same lines as it has been doing over the past century.

To my mind, Mr. President, the most important part of this Bill is Part II, as the Leader of the Senate said, Section 12, which deals with research; in part III, Section 20, which deals with the distribution of surplus, and paragraph II(c) of the First Schedule which gives, for the first time, representatives of workers in the sugar industry some say as how the industry should operate. These are the three important areas of the Bill, as I see it, Sir.

Sir, it is always refreshing to listen to able senators in their respective fields. It is always refreshing for me to listen to Senator McClean, for example, the expert he is in his field, and much of the criticism about the sugar industry in this country is to some extent justifiable. But this present measure which is before the Senate having listened to Senator McClean, clearly shows that whatever is done to improve the industry, there will always be criticism.

To define this Bill as anti-worker is beyond me. Sir, the people who have been most boisterous in criticising the Bill had 15 years in Government to do something about it and they did absolutely nothing, nothing whatsoever.

On the contrary Mr. President, the record clearly shows that what they did do – and this has never been challenged in this place; I will not go into any detail because I have said it before, and the record shows it – is, in fact, that they took over 12 000 acres out of the industry and gave it up for land speculation. Now these are the same people, Sir, who are criticising this Bill today, and it really does not lead to good sense.

This Bill, like the previous one, must be welcome. The research facilities that we have all been shouting about are now here. There have been some minor researches. This is the full body.

There is a cross-sectional area, people who are experts by profession, the sugar producers themselves, and indeed the workers are for the first time having a say as to the input into the industry – and they also take part in any surplus profit. I do not really think that anyone can ask for more than that.

As to the mechanics as to how the surplus would be distributed, there is always room for argument, Sir, the pros and cons as to what system is used as against the other. There is always room to argue about that, but I say, by and large, I fail to see how this Bill can be criticized.

The Government is taking the initiative to do its best to see that this industry, which is so important to the survival of this country, is run smoothly. It is to be welcome. The small growers are given a say and, of course, the large growers are given a say. The workers are given a say. The research facility is now being set up.

All this is to be welcome, and I am certain, Sir, that it will go a long way to level out a lot of the difficulties that we have been getting recently in this country.

I thank you, Sir.

SENATOR THE REV. CAN. I. McK. JONES: Mr. President, I just have a very small contribution to make to this, but it would seem to me, in light of what the Leader of the Senate said when introducing this Bill, that these two things are companions, and if we have passed No. 1 it seems to me that just sheer logic would say that we have to pass No. 2 as well.

Listening to Senator McClean, I must say that he has pointed out things that I just could not see, as I

would not know what to look for as he sees them, but I would still like to say this that despite all his expertise and all his economic knowledge, I would still like to say for myself that I think that the Government in this Bill has done as much as can be expected of any Government in making a start in bringing this whole question of agriculture into perspective.

What they have produced here has shown me that a lot of foresight and a lot of thought has gone into this. And I would just like to say, in answer to Senator McClean, that he may see some weaknesses and flaws in the Bill, but nothing will ever be done if all possibilities must be exhausted. You cannot begin by having everything right. You have to start, you will make some mistakes, but if you try to eliminate all difficulties, nothing will ever get done.

I am in support of this Bill and I hope that people will be able to see that it is a step in the right direction, because it is leaving no one out, it is bringing everybody in, and it is the first time that the small man seems to be having a chance to say something about an industry in which he plays a vital part. So on that, I would like to support the bill.

Mr. PRESIDENT: Senator Williams.

SENATOR J. E. D. WILLIAMS: Thank you, Mr. President. I, like the other Senators, believe that the Government, in this instance, ought to be congratulated.

In the not too recent past there has been a great deal of acrimony between the unions and the Sugar Producers Association when it came to the question of the distribution of profits. I, however, take the point that Senator McClean is making. But while doing that, I must say at least the Government is prepared to look at the question of profit sharing, and if it is recognized, I believe, that if you take a ratio of the wages to the cost of production and processing and that in itself does not work out to the satisfaction of workers, that this whole question of the proportion which is given to the workers will indeed be reviewed. But at least one still has to compliment Government for having taken the initiative to reduce the kinds of difficulties which have always arisen at the beginning of sugar harvests.

The timing of a strike is crucial, and you will find that in the past workers have withdrawn their labour when it possibly could harm the sugar industry most. I believe that everything should be done to make sure that does not happen in the future. Last year, for instance, we suffered quite a bit as a result of that, and the whole question of profit sharing was also a problem.

I believe that while I may, too, have certain apprehensions and reservations about that particular

section, which has a certain percentage to the production cost and processing cost, and say that is the amount to which you will give workers, I believe that it is something that we can build on rather than saying...well, let us try and iron out this before we go any further.

On the question of having a section looking at giving scholarships, the only point that I would like to make here is that it has given a certain wide power to that particular committee to determine how they will disburse the funds for the scholarships. But I firmly believe that it should be for the area of agriculture, and agriculture alone, and I believe that that section should have spelled it out in no uncertain terms.

So all in all, Mr. President, I believe that this Bill will do much to address the difficulties which have plagued the sugar industry over the years.

I thank you.

SENATOR L. A. WARD: Mr. President, I just would like to say in support of this Bill, which is a part of the previous Bill that was passed, that this will give some measure of stability to the industry, which it has sadly lacked in the past, Sir. I feel, Sir, that it will go a long way to help all of the industry, part of it which is rather insecure, to continue for a length of time, Sir.

SENATOR THE HON. N. A. BARROW: Mr. President, just to reply to a few points. I wish that I did not have to reply to Sen. Wickham's points, but he asked two rather direct questions, and I would like to reply to say that sugar research done so far by the sugar industry has indeed produced very positive results. Senator Wickham will probably think that is not an answer to his question and, therefore, I have to admit of not knowing of any significant contributions made by either of the two agencies to which he referred. I trust that is a sufficient answer.

The other points to which I have to reply relate to points raised by Senator McClean, and I have to start with Senator McClean's two last points. Starting with the last one where he said that it is calamity down the road if we do not have an idea of what can replace sugar. I was more interested in his statement that followed that, which is, that it is not my business to give you an idea — it is the business of those who are doing the research.

Mr. Graham Gooding did a lot of research and his findings are the discouraging basis on which my comments are based. So it is not as though what I said was pulled out of the air. It is because if we accept the thesis that for our agriculture to be viable it has to be export agriculture, then we find that we cannot find a reasonable alternative.

Now, the second before the last point was where the Senator said that we did not have to think of our agriculture as export agriculture and that sugar cane, for example, could be used in other forms than just producing half raw sugar.

That, incidentally, reminded me, Sir, that when he dealt with the Portvale area, and I was responding to him, I forgot to raise the question of what did the Senator expect of a factory which was, in fact, designed to perform its role in the manufacture of sugar of the kind which he calls "half raw," which is the kind of sugar which we export. So the call comes back.

But the point is that he does not think that our agriculture should be export agriculture. We have not very much to go by in terms of the success of that proposal because, as far as I can see, the best example of that in the Caribbean is the Guyana agriculture, which I don't think we can call export agriculture, and which a lot of people would not call any agriculture at all.

So it is whether we accept that we have to have an export agriculture or we do not. With the present knowledge that we have, then I don't think we need to take the argument too far.

The research done so far does not indicate a feasible alternative, and I am not sure that I can agree with the view that the agriculture need not be export agriculture at this point. Maybe as more money is put into research and development we will come to that alternative, because one of the facts of research take the oil companies. The oil companies also spent money in researching an alternative source of energy, so the fact that we are emphasising research can perhaps bring us evidence of alternatives, but until we have that evidence of alternatives, I do not believe that we can really spend a lot of time talking as though they are real alternatives.

You see, Sir, the position of people who are not in Government is always stronger in a debate of this sort, because if tomorrow morning we go down the road and go into a supermarket and the shelves are bare, people who would not get a chance to see the bare shelves are the people in Government, because by the time they approach the supermarket they might get their 'come uppance', so we have to be very careful about being responsible about these matters.

We cannot really seriously approach this subject as though we have alternatives when the present state of the information does not suggest it. When the state of information changes, we will be in a different position.

Another of the points made by Senator McClean was when he was dealing with the point of settling wages and surplus matters at the same time.

I thought, in fact, that this provision got us away from the business of settling wages and surplus matters at the same time.

A very interesting bit of information, which, perhaps, the Senator is not aware of, is that the research evidence indicates that the share of salaries and wages in the total industry, in terms of pure numbers and so on — things rise and so on — the proportionate share within the industry the percentage relationships, have not really altered. (SENATOR A. W. A. McCLEAN: You did not have a formula.). The point I am making is that in this formula, which is a formula that did not cause the General Secretary of the Barbados Workers' Union any discomfort when he was consulted on the Bill, I do not see how Senator McClean reads all that into it.

As it is, let us face it, the union bargains for what it can get and the producers hold out for as long as possible. This is what we see every year. All that happens is that when we have so-called windfall monies you get two sets of bargaining, one for the regular wage agreement and then the one for the so-called windfall.

I do not really think that the point is one that on closer examination can be supported. I do not think it is fair merely to look at this provision and conclude that the workers will get less, the surplus gets larger and the workers will get even less.

The point is that you have to know the sugar industry, you have to be like part of it, you have to grow up knowing it in a sense to know what goes on, what actually happens. You have to be able to understand why it is that the sugar workers in the field are never unionised, and why it is that everything is therefore related to the negotiations for the factory workers.

You have to know it and feel it in a sense. If you do, I think you will understand that people just do not accept at the outset of negotiations, and indeed even near to the conclusion, that the plantations cannot pay. The bargaining is hard, hard, hard every time.

And what is worse — I will tell you something else about the sugar industry — the people who support the General Secretary are not the field workers — the field workers do not feel they can support the General Secretary and support the Labour Party, too — and they make things very rough for the General Secretary. This is one of the reasons he has to bargain very hard.

We can tell you because we are in it, we are in politics and we know a lot of it very personally. A lot of the support for the Union will not take the advice of the General Secretary because he does not agree with the political thinking. These are human beings and you have to deal with human situations.

Again, if you talk about the provisions allowing for people, let us say, the B.S.&T. to sell you something at a higher rate and so on, that is not so easy when you are dealing with a growers' co-operative. Sugar Factories Limited is a growers' co-operative, that is what it is, and if the Government is, I believe, the largest shareholder now, it is because of the Government's holdings in the sugar industry and the fact that it is also holding shares on behalf of the small holders, so you have to understand that.

You start with 15 per cent on behalf of the small holders and then all the lands that are owned and managed by the ADC, and you realise that Government's stake is a very real stake in Sugar Factories Limited. Surely that must remove the ground from under the Senator as he argues that certain kinds of practices are possible. I think we have to look at it as it is and not just as we perceive it to be.

I really cannot accept Senator McClean's point about the control over the production cost. Again, we are dealing with audited reports and we are dealing with reporting in a form set out by the Director of Finance and Planning, and, again, in a sense we can only deal with what we have.

We can make the dangerous presumption that the Director of Finance and Planning does not know what he is doing, but I believe that that would not be a pronouncement based on present fact, but a projection based on factors of which I personally know not.

I think that those were the points which were raised. It is not often that Senator McClean and I do not exactly agree on things, but I also believe that it is unfortunate that we had to deal with these matters so quickly and that if there were opportunity for a more thorough persual that the points which the Senator advanced would really not have been advanced. I think those are the points which were raised and I have tried to answer them.

The question 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 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.

On motion of Senator the Rev. Canon I. McK. JONES, the Bill was taken in Parts.

Parts I, II, III, IV, V and VI were called and passed.

The First Schedule was called and passed.

The Second Schedule was called and passed.

On motion of Senator the Hon. N. A. BARROW, the Senate was resumed and the Bill was reported as having passed the Committee without amendment, Mr. PRESIDENT in the Chair.

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

ADJOURNMENT

SENATOR THE HON. N. A. BARROW: Mr. President, I beg to move that the Senate do now adjourn until Wednesday, October 6, 1982, at 11 o'clock in the morning.

The question was put to the Senate and agreed to, and Mr. President adjourned the Senate accordingly. 4.20 p.m.

TOPICS IN THIS ISSUE

Message re new member (Introduction of new Member)
— Mr. President, (Senator L. A. Ward).

Obituary Speech — Senator Barrow, Senator Seale, Mr. President.

Presentation of Papers — Senator Barrow.

Introduction of Bills — Senator Barrow, Mr. President.

Suspension of Standing Order — Senator Barrow, Mr. President.

Civil Establishment (General) (Amendment) (No. 2) Order 1982 — Senator Trotman, Mr. President, Senator Barrow.

Vessels (Registration Fee) Act, 1982 — Senator Trotman.
Road Traffic (Licence Tax) (Validation) Act, 1982 — Senator Griffith, Senator McClean.

Sugar Industry (Support Price) Act, 1982 — Senator Barrow, Senator McClean, (SUSPENSION — Mr. President), Senator Seale, Senator Howell, Senator Ward, Senator Rouse.

Sugar Industry Act, 1982 — Senator Barrow, Senator McClean, Senator Wickham, Senator Howell, Senator Jones, Senator Williams, Senator Ward.
Adjournment — Senator Barrow.

SPEAKERS IN THIS ISSUE

BARROW, Hon. N. A.	ROUSE, K. A.
CATO, Hon. Sir Arnott	SEALE, C. D.
GRIFFITH, C. A.	TROTMAN, Hon. O'B.
HOWELL, St. C.	WARD, L. A.
JONES, the Rev. Canon I. McK.	WICKHAM, J. C. W.
MCCLEAN, A. W. A.	WILLIAMS, J. E. D.

Certified true and correct 15th October 1982.

NIGEL R. JONES
Deputy Clerk

THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1981 – 86

THE SENATE

Wednesday, 6th October, 1982.

The Senate met in the Senate Chamber, Public Buildings on Wednesday, October 6, 1982, at 11.10 a.m. today.

PRESENT

His Honour Senator the Honourable Sir Arnott Cato, M.B., Ch.B., (President)

His Honour Senator J. C. W. Wickham, M.B.E., (Deputy President)

Senator the Hon. O'Brien Trotman, (Minister of State in the Prime Minister's Office)

Senator H. R. Linton, LL.B.

Senator Mrs. E. M. Lynch, B.A., G.C.M.

Senator C. A. Griffith, (Parliamentary Secretary, Prime Minister's Office)

Senator J. E. D. Williams

Senator A. P. L. Reece

Senator St. C. E. Howell

Senator Mrs. M. O. Reece

Senator W. W. Hall

Senator A. W. A. McClean

Senator Mrs. G. G. Reader, M.B.E.

Senator C. D. Seale

Senator the Rev. Can. I. McK. Jones

Senator K. A. Rouse

Senator L. A. Ward.

Prayers were read by Dr. Rev. Lionel Crawford.

ABSENT

Senator the Hon. N. A. Barrow, Minister of Information and Culture

Senator Miss J. Clarke

Senator E. E. Greaves

INTRODUCTION OF BILLS

SENATOR THE HON. O'B. TROTMAN: Mr. President, Sir, last Wednesday three matters to deal with salary revisions were circulated in this Chamber and they are now on today's Order Paper. Those were the Civil Establishment (General) Order, 1982; the Resolution to approve the Civil Establishment (Teachers) (Amendment) Order, 1982; and the Resolution to approve the Civil Establishment (Part-time Officers) Order, 1982.

In addition to those Orders, Sir, two other matters, which have to do with the same matter, are on today's Order Paper – the Resolution to approve the New Rates of Pay for Teachers in the Older Secondary Schools, and the Resolution to approve the New Rates of Pay for Unestablished and Casual Employees.

With the permission of the Senate, Sir, I propose to take all of these matters today and, in fact, I would prefer to take them first, that is Item No. 12 on the Order Paper should be Item No. 1, Item No. 13 – 2, Item No. 14 – 3, Item No. 15 – 4, and Item No. 16 – 5, and then the Order Paper as circulated could be taken as published.

Mr. PRESIDENT: The items have been noted on the additional Order Paper. Nos. 12 to 16 all relate, in principle, to the same thing, and some of the papers were circulated to members last week. If there is no objection on the part of members, these items will be dealt with *seriatim*, 12 to 16 as first orders.

GOVERNMENT BUSINESS

CIVIL ESTABLISHMENT (GENERAL) ORDER, 1982

Order No. 12 was called – To move the passing of the Resolution to approve the Civil Establishment (General) Order, 1982.

Mr. PRESIDENT: Senator Trotman.

SENATOR THE HON. O'B. TROTMAN: Mr. President, Sir, over the last few months we have been reading in the Press that Government was about to legislate salaries and, more recently, that Government has legislated salaries, and that has been the center of debate as far as public workers in Barbados have been concerned.

At the outset, Mr. President, let me say that it is technically inaccurate to suggest that salaries are being legislated for the first time in Barbados, or, as one trade union would have us say, for the last four times, because public officers can only be paid from the Consolidated Fund if the salaries are legislated. Salaries have been legislated under the present Civil Establishment Act, Sir, since 1949 when the present Act was passed. Since then, we have been passing various Orders in Parliament to regulate the pay of public officers and public employees.

The suggestion has been made in public that the present situation with salary negotiations between Government and the various workers' unions broke down because the Government did not, as some people say, negotiate in good faith, whatever that means, and because the Government is unwilling to recognize the fact that workers need to improve their take home pay.

I want to say early, Sir, that in 1978, and that is the first year in which the present Administration would have had to negotiate with the unions for the increase of pay for public officers and public employees, the period under review in 1978, Sir, ensured that the cost of living as indicated by the Central Bank rose by 15.6 per cent during the two-year period.

After several meetings with various unions, the Government realized that no settlement was in sight and, therefore, the Government proceeded to Parliament.

It would be unfair to suggest that there was any short dealing with the workers by the Administration, because, in fact, whereas the increase in the cost of living during the period under review was 15.6 per cent, the Government sought to pay 20 per cent to the public workers.

In fact, Sir, the Government was paying more than was reflected by the change in the index of retail prices. The Government did that because at that time the Government felt that they were in a position to offer a bit more to lower paid workers than the cost of living index reflected, and that was done in an effort to improve the standard of living of those lower paid workers.

For a second time, in 1980, when the cost of living rose by 34 per cent, the Government increased the wages

of the bottom rungs in the Public Service by 38.3 per cent. Again, the Government was aware of the fact that if we had to improve the lot of the workers at the bottom of the scale they had to get more than was reflected in the increase in the cost of living, because to pay them the same thing would, in fact, just keep them where they were.

But now we have another situation in 1982. Things have changed. The cost of living has gone up by 25 per cent and the unions had been asking, in the first instance, for increases ranging from 39 per cent to 25 per cent.

The Government has had several meetings with the unions, collectively and separately. The Government has pointed out that the burden of the increase in wages could not be borne at this time, and the Government at first took the line that it might not be possible at all to pay any increase. Nevertheless, in spite of the difficulties in Government financing, the Government thought that we could pay \$25 million in increased salaries.

One union has suggested that the \$25 million might be an acceptable figure, provided the Government was willing to negotiate a new position starting April 1983.

One would have thought that if they had started by asking for \$34 million, which the Government could not pay, and the Government said it could only pay \$25 million, that the figure they would come up with would be a figure between the \$25 million and the \$34 million. But the unions have come up with a new idea. They are going to have a new revision next year which will cost another \$25 million, so that they have gone to a position from \$34 million to \$48 million. In those circumstances, it is difficult to take the submissions of the unions seriously.

It is clear that the unions do not intend to have any agreement in this matter. Under those circumstances, Sir, the Government has no alternative but to proceed with the Orders which are before us today.

I want to record, Sir, that the Government does not consider the legislating of salaries, as they say, to be a light matter. The Government is seriously committed to workers' improvement in Barbados, to strengthening the workers' unions in Barbados.

As you may well recall, Sir, the party which forms the present Administration was founded in the working class movement. I do not wish here to go over the details of various legislation and the various things the Government has done to uplift the working classes in Barbados. That is history.

The fact which we have to come to grips with is that the Government at present is unable to pay more

than \$25 million without jeopardising the standard of living of all Barbadians, and therefore we are asking the Senate to concur in this Resolution.

SENATOR C. D. SEALE: Mr. President, any Government that finds itself in the position of having to legislate salaries for its workers must come in for some sort of criticism, because in this day and age it is well accepted that collective bargaining by unions is an accepted manner in which wages and conditions of work are bargained for. However, I cannot help but think that the Government workers in this particular time are being exceedingly demanding, and, I might say, rather stupid.

It does not take any Einstein to look around this country and see that this is a period of recession, a period when one has a job, as I say, one should make love to it, a period in which one has to see a lot of what is going on is worldwide.

If we were in the United States, I am certain that instead of getting raises in pay there would probably be massive layoffs. In the United States, I do not think they have anything like severance pay or anything like that. You can be working for a company for 25 years and all of a sudden you get what I think is called a pink slip, and you leave with virtually one hour's notice.

Sir, in my opinion the \$25 million that the Government is granting to the civil servants is most generous. If we take a look at our financial position, we cannot even afford \$25 million, and I am particularly disappointed with the leaders of the National Union of Public Workers, who are some of the best public officers that we have, who are really leading their junior members of staff into criticism of Government and into demands that just cannot be met.

A lot of store is paid in respect of the cost of living index. I am always amused when I see the cost of living index come out every month and I see there is a price rise in the food index which I am aware of, and I see it has gone up by two or three points because some vegetable price is increased. What I am amazed about is that although I realise the vegetable price might have been increased, certainly the amount available could only be consumed by about five to ten percent of the consumers of Barbados, yet still it appears as if the cost of living goes up for everybody.

The other day the price of rice went up by one cent because of the imposition of the Stamp Duty tax. Within the next month I noticed that the cost of living had gone up because of this.

In the rice trade, for instance, only about 40% of bulk rice is consumed by the market, and the rice is packaged. The package price has gone down, but I have

not seen any reflection in the cost of living that the price of package rice is going down, yet because of a one cent rise in the price of bulk rice we get a change in the cost of living index.

I feel that there has come a time when we have to somehow relate the cost of living index to the amount that is available on the market at the time of the price rise, and the market share of that item.

Another thing I do not think the public of Barbados really realises is that the civil servants and the public workers have been complaining about not being treated as well as other workers in the private sector.

When I became the Chairman of the Development Bank, and when I had a little closer look at the public servants, I became amazed at the type of conditions that these people have. When we start to look at leave, for instance, all sorts of leave came up that I never knew existed.

In my business I only know about sick leave and holiday leave, Sir, but in the Government there is casual leave, study leave, compassionate leave, holiday leave, sick leave. Then again, when we come to holiday, I know of one of my employees going on four weeks' holiday, but in the Government you go on 28 days' leave. All of a sudden Saturday and Sunday are no longer days, so you add on Saturday and Sunday.

Sir, also with sick leave. You get five days sick leave. You are not sick Saturday and Sunday, you are only sick on the working days. It is just amazing. I think that our civil servants really have it good, Sir.

I know that a former Prime Minister referred to them as "an army of occupation." I believe that this is one of his truer statements. I support him in that, because although we do have some very hard working civil servants, we certainly have a lot of numbers, just numbers.

I want to congratulate the Government on legislating this amount, although I am quite certain, Sir, that the island cannot afford it at this time. Thank you.

SENATOR MRS. E. M. LYNCH: Mr. President, I feel that in recent times we are becoming more and more aware, as the trade unions begin to negotiate for wages, especially with Government, that, perhaps, the trade unions need to realise that there are no longer functioning in the atmosphere of 19th century Britain where there was an industrial revolution and the harsh conditions of those times gave rise to trade unionism which was, of necessity, militant.

We are a Third World country. We are not in this situation now, struggling to raise our living standards.

I have seen statements about raising the living standards of trade union members. We must protect the standards of the lowest paid workers who must not fall too low below the poverty line, but the rest of us, including those with fixed incomes who cannot negotiate for anything, we have to survive on what we have. And it seems to me that we are not now struggling to raise living standards generally, we are struggling for survival, and I think everybody ought to realise this.

Perhaps trade unionism needs to change somewhat in the circumstances of Third World countries, and there should be more of a coming together, putting our heads together - the trade union experiences of the worker and the needs of the worker - and the realisation that Barbadians have for a long time now been failing to match their needs, or rather their wants and wishes, to the resources of the country.

We hear of figures for percentage increases which are not being asked for in the much larger and richer countries. People in Britain who are now protesting, or trying to strike, are not asking for 30 per cent. I have only heard of one of the unions asking for about 21 per cent. There are striking at 5 per cent, 6 per cent and 7 per cent, and it seems a bit strange that the countries to whom we turn for aid are not trying to give their workers the kind of increases which our workers are asking for.

I think it is time that we all face reality. In the Caribbean we do not face reality. We live near to the bread basket of the world. We live near to the richest countries, the United States of America and Canada, and we tend to pitch our demands in keeping with the living standards and desires of those countries, instead of facing the fact that we can only live on what we have. And now that we have had to turn to international agencies, if we do not voluntarily face reality, they will compel us to do so when we go to borrow from them and ask for assistance of various kinds.

Therefore, while I regret that our unions could not come to an agreement with Government, the sad part is that they do not see the need to work with Government in a situation such as we have.

This is not time for fighting, showing a militant spirit and this sort of approach. These are times when we are all in it together. Even the people that we consider wealthy in Barbados are not wealthy by world standards, and there is an amazing failure to face up to reality even among people who are well-educated and who know better.

I know there are some workers who might not be able to understand all the ramifications of international finance and the situation which we have with recession and high prices, which is a new situation - the world had not had it before. Usually when we have had recession, we had low prices. We had recession with inflation, a combination which is puzzling even the economist. So I hope that trade unions will realise that the economic situation today is a different kind of situation from that in which trade union history is rooted.

I think the big problem now is that we are still using 19th century trade unionism in an age where the whole circumstances are different, where the franchises have been extended. I hear people saying that the situation today is like that of 1937, and I hear that being said by intelligent people who failed to realise that it is far from the same.

The riots in 1937 were due to the fact that the people who were having a hard time had no representation, or very little, in the House of Assembly. Now, the people sitting in the House of Assembly know and understand the conditions of the working class. They do not need to be prodded. They are only too willing to make the best possible conditions they can for the working class people.

And the two parties are not that far apart. It is not like in Britain where you have a Conservative Party and a Labour Party and one can undo what the other has done and you have a "stop-go" sort of effect. In Barbados, one party follows on naturally from the other and spend their time contending as to who is using whose projects.

So, the political parties are not so far apart, and I feel that whatever the political party is in office now, if it did its duty it would do what is being done now.

We have got to discipline ourselves. We have got to make the sacrifices necessary and we have to try to avoid having steps forced upon us which we, ourselves cannot take.

SENATOR THE REV. CAN. I. McK. JONES: Mr. President, I must say that it seems to me that the unions in this country feel that Barbados is somehow insulated from all the things that are happening in the rest of the world, that recession, apparently, has not troubled Barbados at all, and, therefore, they can make the same demands in 1982 in a year of recession that they would make in 1973. I think it is, when our sugar did so very, very well.

I think we have got to face reality, and I am myself amazed that leaders of the unions can be saying that

Government seems to be undermining the power of unions by legislating salaries.

If it is true, as the Leader of Government Business in this Honourable Chamber has said, and I believe it to be true because he just said it, that under the Consolidated Fund the only way you can pay out money is by legislation, I think that is something that the unions possibly did not know, and if they had known that, perhaps they would not be as militant as they now seem to be.

The cost of living is difficult not only for the people at the bottom, but the people in the middle and the people at the top too, and I feel that the time has come when we have got to make sacrifices of one kind or another.

It is not true to say that the Government has some inimical interest against the unions, because I have heard the Prime Minister say on more than one occasion that as soon as the economy improves, we will see what we can do, and nobody can say more than that. Nobody has the future in his hands, nobody knows exactly what is going to happen tomorrow, and I feel that this \$25 million that the Government has legislated for is adequate at this moment.

As has already been pointed out, some unions are saying that they will accept this \$25 million this year and then they want a further increase of 9 per cent next year, and, as the Leader of the House has just pointed out, that would mean that next year you will have to be looking for \$23 million more, which is far from the \$34 million that we agreed upon.

So it would seem to me that the Government has the interest of people at heart, because they realise that if they have to spend that kind of money, the whole economy will turn upside down, and everybody is going to suffer worse than they are suffering now.

It would seem to me that this move on the part of the Government to legislate salaries is the correct and the only possible move at this point, and I hope that the unions will come to terms with what the Government has done and that we should be saved from any kind of confrontation or any kind of strikes or anything in this country.

This is not the time for striking; this is the time for holding up each other's right hand, working together as a unit, trying to save ourselves from annihilation in the economic sense of the term.

Thank you.

SENATOR J. E. D. WILLIAMS: Mr. President, I have sort of found myself in a fairly invidious position where I have to make comments about one particular union of which I am a member.

Now a lot has been said, in terms of generalisation by other speakers, that the unions have not looked dispassionately at this particular salary revision. But the Barbados Workers' Union also represents workers in the public sector, and I think the point has been overlooked that in this particular case the Barbados Workers' Union has demonstrated a high degree of responsibility.

Both in the Press and in the media one heard the names of other unions that also represent workers. It is, to my mind, forgotten that the Barbados Workers' Union has said in this instance that we do not intend to allow the economy of Barbados to become any worse than it is, or for that matter, to collapse, and in short they said they were prepared to accept the \$25 million.

I must at the same time add that one has to compliment the Government in terms of the distribution of that \$25 million, because it is obvious that the people at the lower rung of the salaries scale are those individuals who would be most hit by inflation and the general economic conditions in Barbados at this point in time, and one will recognise that the largest proportion has gone to them.

The Barbados Workers Union also said that should the situation improve next year, and I am only demonstrating when we talk of responsibility, we would hope that the Government would find it possible to accommodate us, maybe to the tune of \$5 million. Now that is a situation of saying that if it improves, it is only fair that the workers should benefit as a consequence of that improvement. They are not saying that at all costs they must get 9 per cent or for that matter any percentage. It is conditional that there is indeed an improvement in the economy.

You know, I am a firm believer that when you sort of reflect on the Barbados Workers' Union over the years, it has always been, and it could always be, identified with the social and economic development of Barbados. It has been part of that development, and there is no way that that particular union is going to wipe out all the efforts that it has made over the years. It is not going to do it, so obviously you will see a completely different approach by the B.W.U. I would regard it as one of the most responsible or the most responsible union in Barbados at this point in time.

Mr. President, a senator on the other side, also in his day to day functions in another capacity, recognised the level of responsibility coming from the Barbados

Workers' Union, and therefore it is a bit sad for people to make these kinds of generalisations and lump all the unions together and sort of give the impression that all unions in Barbados at this particular point in time are demonstrating a sense of irresponsibility. To my mind, Mr. President, it is not true.

Within some of the same unions, without identifying them, if you go through the general membership, you will find that a lot of people do not go along with the executive, because they recognise that things in Barbados are not easy. They recognise the difficulties that we are facing.

But, again, it all rests on the shoulders of the leaders within those particular unions for them to see the light at some time, and I hope they see the light sooner rather than later.

I think the point was made by Senator Mrs. Lynch, I think she made a very important point, that we are no longer dealing with the kinds of issues in the Twenties and Thirties.

A lot of the fights or the issues that people perceive now are fights that have been fought long ago. These battles have been fought long ago and won, and I think that some other unions should take a leaf out of the Barbados Workers' Union's book and avoid a lot of rhetoric that creates a certain emotionalism within the society.

You can get up and you can talk about Government being anti-worker and anti-union and this kind of thing without being able to identify and show it, and I think it clearly comes out in this instance where in other countries people are talking about wage cuts to retain their jobs, as Senator Seale said earlier.

In Barbados, we are still trying to accommodate people in the public sector by giving them a salary increase, and, at the same time, giving that category of worker which is affected most, the largest increase, but then you still get the unions talking about Government being anti-worker and this sort of thing. I think it is uncalled for and it is unnecessary.

Mr. President, I am proud to be a member of the Barbados Workers' Union.

Mr. PRESIDENT: Senator Rouse.

SENATOR K. A. ROUSE: Thank you, Mr. President.

I must congratulate the Government on its very generous offer. As Senator Seale said, 25 per cent at this time is a very generous offer.

I think Senator Williams did not want to make it felt that he was patting himself on his shoulder, but I should like to congratulate the General Secretary of the Barbados Workers' Union. I think it shows that he is a cut above the rest.

The workers in the public sector have received a very generous offer. As Senator Seale said there is a lot of leave being asked for and being granted. I think the union and its leaders should decide to send some of its leaders to ILO in order to learn what unionism is all about because they are only pushing themselves around and making people believe that they know everything about everything.

At the same time, if these people know of the economies of any countries, they would realise that there are other countries, Mr. President, where the unions, rather than asking for an increase in wages, are telling Government and private sectors that they will work for less in order to hold their jobs.

Jobs are very important, and if you have to increase a particular sector by 30 per cent or 40 per cent - the companies can do this type of thing, Government may also be able to do it - at the same time, you will have to send home some of these workers in order to pay such increase that these irresponsible unions are asking for. I read of one firm in the United States which, rather than sending home workers, the workers said that they would take 5 per cent or 10 per cent less than what they got previous to the years before 1982.

Therefore, I feel that the workers should at this time let their unions know that they need their jobs, rather than an increase.

And I must say this, Mr. President, since the unions are asking for these demands, the unions must also tell the public workers that they must work for the public, they must do a duty towards the public when they go to the offices. Make sure that they do their jobs rather than sitting around lackadaisically, doing nothing for the public's money.

Thank you, Mr. President.

Mr. PRESIDENT: Senator Hall.

SENATOR W. W. HALL: Yes, Sir. Sir, I must confess that when I came in here I was not aware that we were going to debate this Bill this morning. I have not received any Papers, and therefore, I thought we had eleven items on the Agenda. That notwithstanding, I do not believe that I can sit here and let it pass me by without making some contribution.

Heaven knows, Sir, that we have had some very interesting contributions this morning. We have been

told a well-trained a trade unionist Senator Williams is, how he is very proud to be a member of the union, and how responsible the officials of the Barbados Workers' Union are. I do not know if the insinuation is that the other unions are not responsible. He did not say it, so, Sir, I will let it rest.

What I would like to say is that this is not the first time that salaries have been legislated. Indeed, Sir, I remember in 1976 in fact, when I came in here not knowing that we were going to debate it, the most I could do was to send for the Debate of this Honourable Chamber of 1976 when the Democratic Labour Party legislated salaries. I was an independent senator then, Sir.

I know that the researchers will look it up and come back in here and tell me this is what I said in 1976. The point is I feel so deeply about these things that I would repeat what I said in 1976, even despite the fact that in 1976 I was over yonder in an independent senator's seat and here I am representing the Opposition. Who do not like it can lump it, because I say so.

Sir, this is a very serious thing. You see, I believe that notwithstanding the bad economic conditions that the Government with the interest of good employee — employer relations should set an example, Sir, to the private sector and continue bargaining in good faith, even though you may find that the level of increases asked for by the unions will be something that they cannot afford.

You see, Sir, as I said in 1976, the right of collective bargaining is a right which is governed by the ILO, and that is ratified by Government, and even though Government like most companies in this country will plead the inability to pay, you may well find that you must never, in my opinion, in my humble opinion, go via the short cut. I think you must exhaust all means. You must go to the negotiating table and prove your case. That has always been my position, Sir, and I daresay it will always be.

When people in private enterprise tell unions that they cannot pay, when they try to prove their inability to pay, Sir, and they try to throw their balance sheets in the faces of the union, the union tells them, "You are making jokes, you would have to manage properly. You will have to manage, not just cope but manage."

And private enterprise, having broken down, as Senator Trotman knows, with the union, must seek the attention of the Chief Labour Officer who will convene a meeting, or meetings as the case or cases may be, and negotiations will go all over again.

There are times, even in disciplinary measures, where when it fails at that level, Sir, you may find that

the Minister of Labour, in that capacity, will have to intervene.

This is important, Sir, because in a country like ours that is tourist oriented, we cannot afford to have the type of disruptions which will come about, very easily, if you have strikes and rumours of strikes. One only has to strike and our tourists sleep in their haysacks at the airport trying to get out. We know what that does to tourism and, inevitably, our revenue.

So you see, Sir, even though we boast a proud record in industrial relations, even though strikes have been few and far between in this country, I think that we must get away from the residue of bitterness that prevails whenever there are such things as legislating salaries.

In the ILO, Sir, where you have freedom of association and collective bargaining, which, as I said, is ratified by this Government, I do not really condone legislation of salaries at such an early stage.

In 1976, the Democratic Labour Party legislated salaries after 21 meetings. Sir, at some levels it was 35 per cent, and even then, Sir, I said "No, no." I felt that they should have gone on at the bargaining table. I felt, Sir that even if competent industrial relations advisors had been employed, and some tribunal had looked into the situation then all and sundry would have seen that the Government had done their best and could not pay anymore. It happens every day; companies up and down Barbados, companies all over the world are faced with militant unions. They have to do that every day, and I cannot agree with this idea about legislating salaries.

In 1976 — it is interesting, Sir, as I look at the debate — when the Resolution was concurred in, and the Senate agreed to dividing, they had a lot of senators in here saying "Aye", all of them who were over there on the Government's side, and there were two who said "No" — no less a person, Sir, than the Deputy Prime Minister, H. B. St. John and Senator W. W. Hall.

I stand committed to that. That is a fact. I will debate it for hours, days, months and years — let them get up and come. We will debate this for sure.

In some cases in 1976 the unions were asking for 100 per cent and, in some cases 30 per cent and the comments were interesting. Senator Linton alluded to the British and trade unions in Britain. In Britain you find that the British Labour Party was founded out of the trade unions in England and have affiliations up to this day, and we know that successive secretaries of trade unions in England, their policies have reflected right through the Government's policy. One only has to look at

Deakin and contrast his views with Cousins to understand what important roles the trade unions play in England.

(Asides)

SENATOR W. W. HALL: This is not energy, Sir. We will talk about energy later. I do not know why Senator Griffith is always seeking to throw me off defence — I do not know. The other day he told me that he will be biting very hard. I do not understand the reason for that, Sir.

Mr. PRESIDENT: I have advised you on several occasions to ignore it. (Laughter)

SENATOR W. W. HALL: Well, having come from the Chair, Sir, I will remind you, Sir, in future times when he tries to bite hard. In fact, he should be like Cassius Clay — he should “float like a butterfly and sting like a bee”. He should do that, not bite. I don't know why he is resorting to biting. Anyway, I am going to ignore him as you have suggested Sir. Let the Hansard record that the Honourable President told me to ignore Senator Griffith. (Laughter).

Sir, Senator Rouse said that the offer was very generous. Good Heavens, Sir, he said, “very generous”. I wrote it down. Sir, the offer is \$25 across the board. The offer represents in the top brackets a mere 3 per cent — and you say that is very generous? All right, it might be; it depends on which way you are looking at it. Fair enough, in the economic situation you may well say so, but let this contrast to the parliamentarians. I understand they are getting a raise in salary. For what? They are getting a raise in salary. Their salaries are all over the place; we know where there are Sir.

The parliamentarians are muted to have a raise in salary. Senator Rouse spoke about a country where people do not take raises in salaries, don't you think, Sir, that it would be a very good example by the parliamentarians of this country not to have a raise in salary at this time, in view of the atrocious economic crisis that prevails right now Sir?

But when you look at the life-styles of some of the parliamentarians, and then you ask people not to do this and not to accept money, and you look at their life-styles, Sir, it is little wonder then that, as I say, there is this residue of business.

I think we have to examine ourselves, Sir, and we have to look at it as a national issue again and not just look at it. I know they will write down when I talk life-styles.

I dare say, Sir, that we have to understand that in 1978 things were very good, apparently, and it was said all

over the country “good management, '79, '80” on political platforms — “you never had it so good,” I hear it so often; one is inclined to believe it, you hear it so often. You know, Sir, you got this sort of thing. It was not that it was a rub off; it was not the buoyancy of the economies overseas that meant that it could redound to our success. Oh no, it was good management in Barbados; superb management. I used to hear at the corner there by Senator Seale's supermarket of what a great management we had down at the BMC. I heard that with my own ears. Superb management throughout the place. It was not that things were good overseas and we were enjoying the benefits of them.

But now, in 1981, things are bad; and the reason why things are bad are obviously because of bad economic conditions world-wide, which sort of influence our situation here. It is not had management, you know. It cannot be, despite the fact that the World Bank said that most of the economic problems were as a result of local decision making. That is a fact, Sir.

I feel that what we have to do, instead of guessing when the tide will turn. . . . you listen to the radio you hear the tourist industry will by the end of the year be great again; everybody is telling me that sort of thing. If that is so, and you are negotiating in the face of economic recession and you negotiate for one year, what is wrong, I ask you, what is wrong with anyone asking you to continue negotiations, having a one-year contract and looking at it again at the end of one year? I just ask.

As far as the process of negotiations is concerned no one can ever really say that something is fundamentally wrong with it. I do not think so. When you are negotiating, you look for your strengths and you look for your weaknesses. You try to put yourself in the position of the other man and you look to see what is his position — how strong is he in the community; has he got any backing — and you try to negotiate in good faith.

And I am saying that having not supported that in 1976, I am not supporting it now. I do not know how the Democratic Labour Party voted over there, but that is over there. I know that Senator Griffith told me that I am not going to come in here if Senator Greaves is not here. Well, if he is here. Well, if he is here, Sir, he is invisible — and I am telling you that I will be here, all the time.

What I do believe is that you must recognize, Sir, that over here is the Opposition. We are here to oppose and to criticise constructively when we see it, Sir, and that is what I aim to do. And, Sir, I cannot, in all honesty, really believe that we have actually been at the bargaining table long enough. I do not believe so, Sir. I do not believe that we have been there long enough at all.

I know Senator Williams is a skilled negotiator, Sir. As I look around here, I do not see anybody else really who can claim that; not around the Senate Table — I see in the Gallery. But, Sir, what I am saying is that Senator Williams knows why he took that position today. It would be rather interesting to hear the Government on him today. He, in all honesty, has said that at least one union acted responsibly. He is an officer in that union, Sir.

I believe that the inability to pay in times of recession is a day-to-day hazard that we face in private industry. I am not trying to be critical — one can be — but I am a Barbadian, and I am looking at it in that light. I know for a fact though that as you look at the contracts, the agreements that have been signed over the last two years in this country, if you can find two contracts where the level of settlement has been less than 25 per cent, I would like you to show me. I challenge anyone in here, without any fear of contradiction, knowing full well that I am right. That is not to say that all is well.

What happens is this, Sir. When you look at comparative industries in private enterprise — in other words, all that Senator Seale may say — if a fork lift driver in Roebuck Street is being paid \$200 a week, and he is negotiating for the fork lift driver at his place; unless the job content varies, he may well find that for comparable jobs, one could ask, with some justification, for equal pay to those who have been enjoying up the road. So that in private industry in the last year, it is not to say that firms have been making a lot of money — far from it. What has been happening is that the level of settlement has consistently been around 25 per cent across the board, too, and as such, you see, Sir, what we have to do to counter that — and I am saying that because of some statements that were made in here this morning — is to make sure that standards are kept. We have to make sure that people would give a good day's work for a good day's pay. We have to make sure of this, we have to insist on standards.

Now, I heard in here some reference to "an army of occupation". I also heard that, by and large, some civil servants, the minority it was said, are good workers; but the impression given is that that is not true of the whole work force.

I say this, Sir. We have had redundancies in the last few months. The redundancies have not been because people have not met standards, they have not been because people were indisciplined or because they were conditioned by failure, the redundancies were not to improve production, the redundancies, as far as I understand, were simply that the claim was you did not have enough money.

Now, I believe that the Government would have to look at this one very carefully. I really believe so. You

cannot go on every two years, you cannot legislate salaries every time. I said in 1976, "If he goes on like that there would be no need for personnel managers, there would be no need for discipline — you just legislate." I am saying that people must never get the erroneous idea that salaries will be imposed on them, or not you will legislate. I do not believe that to be so; therefore, if that is not so, I feel that the Government should at all times go to the bargaining table for as long as possible, even if it means they could not afford the level of increases.

Heaven knows that everybody in Barbados understands that we are in serious times, we know that the recession is here, we understand that things are tight, we boast that we are a very independent people, we talk about our beautiful schools and how intelligent we are, and yet you are telling me that if the people which Senator Rouse alluded to will take a cut in salary and things like that, that we cannot do that?

The cut in salaries is not all, Sir. There was a time in England in a place called Leeds, just outside Manchester, where they experimented with a 35 hour week, and people found that they did not have anything to do in their spare time, and they begged back to work 40 hours again. This is what happens to people.

I feel that this is not the first time in the history of industrial relations that people have been getting 10 per cent or 15 per cent. Look through the settlements in the last 20 years in Barbados, it is only in 1976 during the oil crisis that you find they had two-year agreements. The agreements in Barbados used to be three years, and after the oil crisis in 1973, what happened was this: the unions found that if inflation was going to be so rampant and it was unchecked, then they would have to bargain for three years, and I believe that is an executive decision.

Senator Williams will tell you that no union man can go out there and say he wants a three year contract. It is nonsense. It is not his office. It is the union's executive decision. And in 1973, places throughout the world went bankrupt. Oh yes, Sir, went bankrupt for sure.

You know, Sir, do not let us feel that we are so illiterate and so unconcerned a people that we do not understand that the level of increases cannot go on by 30 per cent all the time *ad infinitum*. It cannot work so. It will never happen. There must be some sanity in this whole thing. But if the Government is pleading inability to pay, you plea that; but you must do it at the bargaining table.

I do not intend to be a judge, Sir, but I want it to be understood very clearly that those who know, those who understand and those of us who ratify the decision

in the ILO and understand the process of collective bargaining and free association, we must also tell the others that it is not done so, Sir.

I told Mr. Barrow in 1976 — you can read it here, Sir — that I do not agree, although the level of increase was all up in 35 per cent I think it is. Well, as I said, there were 21 meetings — exhaustive. I think that the Senator over there knows what is meant by 21 meetings with the unions.

I saw no evidence where they had brought in a third party, which is the norm in private enterprise and which is the norm sometimes — in fact it was done in the sugar thing the other day when they had Burns Bonadie and someone else came in. It is good to see this sort of thing, and I do not believe that it should happen in this sort of situation.

I would say, Sir, that I would have no hesitation, given these same facts, than to say, "No". Not at the level if the Government contends they cannot pay. I feel that you should do it by longer negotiations with the unions and I feel that common sense will prevail. The Government must have a case, like private enterprise must do; and having put their case before everyone, the judges will be able to decide. We would be the ones to decide, the rank and file will be the ones to decide, well, the Government is very fair — they are not able to pay the money and this is the situation.

When you legislate, it seems to everybody that all you have to do, as you have a few meetings and that cannot happen, then you legislate. I think Sir, it gives the wrong impression, (1); and, secondly, it is not right. Sir, I will not vote for that.

Mr. PRESIDENT: Just one minute before we continue the debate. I am sure honourable Members will be please to learn and to hear that we are being honoured today by a visit from the United Kingdom Branch of the Commonwealth Parliamentary Association. In the luncheon interval, honourable members will have an opportunity to get acquainted with the members and to give them a cordial welcome to our country.

SENATOR H. R. LINTON: Mr. President, knowledge is probably the most powerful tool, if not indeed the only tool, with which one can fight ignorance, and, consequently, it is very important that we strive to communicate with each other to the extent that there is a movement of knowledge from the one to the other in the hope that this movement of this knowledge will serve to eradicate any ignorance which may exist for one reason or the other.

I said that, Mr. President, because approximately 12 to 13 months ago, both in this Chamber and in the Other Place, the question was being asked, how come there has been such a sudden turn around in the economy in so short a space of time? That question was based on the premise, Mr. President, that just prior to the 1981 General Elections the Government, of which I am a member, was stating, and was stating rightly so, that Barbadians were comparatively well off, both in terms of their previous local standard of living and also speaking internationally, and then shortly after the General Elections, Mr. President, the country began to experience a turn around in the economy to the detriment of ourselves, and hence the question, how come there was so sudden a turn around in the economy? The question was asked in here also, Mr. President, as I said in my opening remarks.

Consequently, I am very please today to observe that members are now aware that this recession which we are now experiencing does not apply to Barbados in isolation. It is not an island recession. Rather, Mr. President, it is an international recession.

It is this knowledge, again largely from the pronouncements by the Prime Minister and the other members of Government who have been reading and following international trends, it is this knowledge that is helping to educate us Barbadians about the reasons that we have to settle for a smaller raise in pay than we would otherwise have liked.

It is therefore important, Mr. President, that we continue as a Government to educate, not only ourselves, but also all of the people of Barbados. Those of us who travel, and who make observations, ought to come back here and let Barbadians know what is happening in the international community.

It is only recently, for example, that Barbadians have begun to realise that an economy, which hitherto has been one of the strongest in the world, that of Japan, has also been suffering from the international recession, Mr. President, and that is because the Prime Minister has been seeking to explain why we are suffering this back-lash which we are now suffering.

I was recently in Toronto and New York, Mr. President, and I, too, took the opportunity to observe what was happening there. I actually saw trade unions negotiating with companies for reduced wages as an alternative to massive layoffs, or closures of the business concerns. It was something novel. It happened in New York as well.

I do not understand how that information has not reached Barbados; or, if it has reached Barbados, it has not circulated to Parliamentarians, because I was privileged to hear the General Secretary of the Barbados

Workers' Union himself referring to that fact, the fact that trade unions in Canada and America were negotiating with companies for reduced wages.

He said that that would not happen here, or to use the vernacular, to use the popular words of that popular song "Dah can't happen here". He was stating that his union would not agree to reduced wages; but we must all, and here I agree with Senator Williams, doff our hats to the General Secretary of the Barbados Workers' Union, because his posture in the present dealings with Government relative to the increase in pay for Government workers is more reasonable.

I have heard members in here and in the Other Place, Mr. President, criticise and castigate the other unions, particularly the National Union of Public Workers. I do believe that, in contrast to the posture adopted by the Barbados Workers' Union, theirs is more untenable – if not totally unreasonable. I would not like to go so far as to say that those unions do not know anything about trade unionism. I do not think that is right.

That National Union of Public Workers. Senator Trotman, who introduced this Bill, on one occasion occupied the hallowed seat now occupied by the General Secretary of the National Union of Public Workers, and the union was properly run if I may say so.

Now I do not think that Senator Trotman was the repository of all trade union knowledge within that union and, consequently, that on his departure the union ceased to be able to function as a trade union within the popular meaning of that term. Therefore, I must come to the conclusion, Mr. President that there is still some knowledge of trade unionism within the National Union of Public Workers. I perceive the problem to be something different.

Sir, I must crave the indulgence of the Chamber, because I am to state that the General Secretary hails from the parish of St. Philip, the same as I do. More than that, we went to school together for a short while. More than that, Mr. President, we are very good friends.

Here, I must state also that the President of the National Union of Public Workers, although he came from St. John, now hails from the parish of St. Philip, the same parish as I hail from. I must state, also, that we are very good friends, Mr. President, and I must state further that in my first job he happened to have been my immediate boss.

That notwithstanding, with regard to both the General Secretary and the President of the National Union of Public Workers, Mr. President, I must state that the problem is that this country has been caught in a

bind, caught in a power struggle between the General Secretary and the President of the National Union of Public Workers. They are fighting for power.

I do not think either of them are unreasonable. I know them personally, and I have given the background of my knowledge of them to demonstrate and to emphasise that I have personal knowledge of both gentlemen. I do not think either is an unreasonable man; and if I am quoted by the Press, I do not want the Press to state that either the General Secretary of the NUPW or its President is an unreasonable man. I think they are both reasonable.

Unfortunately, however, the country is caught in a power struggle between the two. The President wants to have all the glory and the General Secretary wants to have all the glory; so each is fighting to show the workers that he is fighting for the workers harder than the other. That is the problem we have today.

The answer may seem simple, and it rests squarely on the shoulders of the members of the NUPW – to get rid of one or the other. I am not going to tell them which one to get rid of. I think it can be solved if they make do with getting rid of one, Mr. President.

If they go to the whole hog, and get rid of both, we may be twice better off as a country. They would still remain my friends; I would still speak highly of them so far as their ability to reason is concerned, but I think the country would be much better off if the membership of the NUPW get rid of either the General Secretary or the President – and I make no apologies for saying that at all, Mr. President.

I may have an occasion to have a drink with them tonight, and I think they are going to lambast me for it, but I will not apologise to either of them for inviting the members of the NUPW to get rid of either, or, as Senator Trotman said, both of them instantly.

I am not going so far as to say that they do not understand trade unionism. I have the greatest respect for Mr. Goddard's knowledge. He went up to Oxford, and I have had a long association with the President, and he was on the Whitley Council, and he has some knowledge of trade unionism.

And whereas I want to praise Mr. Frank Walcott for the reasonable stance he has taken in respect of the matter with which we are dealing, whereas I want to give him the highest possible praise, I do not want to detract from the knowledge or ability of the General Secretary or the President of the NUPW in that regard; but so far as making redundancies is concerned – get rid of them

without severance payments; do not give a cent in severance payments. They are handicaps to the proper and orderly development of this country.

Imagine, Mr. President, in times of a serious international recession they are sticking out on what they can see and perceive to be principle; and Senator Hall is supporting them, saying to go back to the bargaining table.

What is so magical about the number of times you sit down with them? What is so magical about that? We have international examples. We have Lord Thomson of Fleet Street who battled it out for about nine months, and I think our visitors in the Gallery can confirm this when we go to lunch, that it was nine months, and then we had Rupert Murdoch, the Australian owner of the English institution, the Times. He was not prepared to wait that long when he was seeking to take over the Times. He put the gun to their heads and said, 'you agree or we cease these negotiations'.

There comes a point in time when you have to stop negotiating and do business. What is magical about 25 times, when they met for five minutes each time. Sometimes they turned up, the Advocate turned up to take their photograph, they had a cup of tea with the people concerned and went back up to their offices, and they come in and say they met 21 times. What is so magical about this number of times.

Senator Hall reminds me of certain cases where you have a man and his estranged wife, Mr. President, and because she has custody of the five children — he is only working for \$100 a week, but she could not care less about how much he is working for — she instructs her lawyer to negotiate for \$200 a week for herself and the children. He is only working for \$100 a week, but because she has five children to support and because it takes \$200 a week to support herself and these five children, she instructs her Attorney-at-Law to keep on negotiating. The other attorney-at-law says he is only working for \$100 a week and she says she wants \$200, so what does he do? He has to say to her, go to court and let the judge decide.

There comes a point in time, Mr. President, when you have to make a decision. It does not matter if you negotiate four times or 21 times. What is important is the substance of those negotiations.

Some of us in this country, Mr. President, are taking this analogy between collective bargaining in the private sector and collective bargaining in the public sector much too far. The similarities are very few. Collective bargaining in the public sector in international countries, for which the ILO order was designed, is

totally different from collective bargaining here in the public sector. It is totally different, Mr. President, and they are taking the analogy much too far.

Here, again, we may be able to combat that delusion with some kind of knowledge. We may need to educate our people here about collective bargaining, popularly so-called. We need to fight that ignorance, but with knowledge.

Let me give you an example. In Canada, again, McDonald-Douglas was negotiating with the unions. They found that they could make no headway. They said, "O.K., Mr. Union, we accept, but we lay off X number of people." And that they did.

Effectively, that was a unilateral end to negotiations as well, because it was never within the union's thinking that the company would have accepted their proposals, but only on the basis that there would have been massive layoffs. That happened in New York as well.

The point I am trying to illustrate is that a private company has certain options, even to the extent of closing down their operations. Not so the Government sector. You cannot close down the Queen Elizabeth Hospital. If you close it down, where is Senator Hall going, Mr. President?

(ASIDE: To the St. Joseph Hospital.)

SENATOR H. R. LINTON: He may go to St. Joseph, but where will all the poor people, who cannot afford the St. Joseph, go if you close it down?

Senator Hall is talking about the standard of living, the way of life of the parliamentarians, so he will go to St. Joseph. I am concerned about the poor people. Where will they go? How are you going to close down the Post Office, Mr. President? How are you going to close down the Customs and the Airport?

So, Mr. President, the Government cannot take the same action as private enterprise can take. Private enterprise, and, with limited liability companies as they are, if they cannot pay severance payment — too bad. They go into the Severance Payment Fund. We are going to come to the Companies Act, when I will have more to say about that.

But if one takes this analogy too far, Mr. President, one is liable to run into all sorts of difficulties — and those were the two pet horses of the Opposition and of uninformed people in this country: negotiate further.

Note, Mr. President, I want the papers to carry it clearly, Senator Hall has never said that the civil servants

should get one cent more than the \$25 per week the Government is offering. He has not said that. He has never, ever said that the country can afford to pay one cent more. That is to his credit. To that extent, he was not reckless.

(SENATOR W. W. HALL: As usual.)

SENATOR H. R. LINTON: So Senator Hall is not really arguing for the workers, he is arguing for a procedure; a procedure that was not designed for Barbados and which, clearly, does not fit Barbados.

I am being reminded, Mr. President, that he said the days of 30 per cent are over. Here, again, he succumbed. He realised that, in terms of our economy, this is an atrocious figure for anybody to claim, far less offer. He realises that he, himself, could not maintain his present standard of living if we went about offering 30 per cent willy nilly. That he is in no way apt.....

(Asides).

SENATOR W. W. HALL: Sir, I do not wish the honourable senator to mislead the House. If he is getting information from the misinformed, he should check it.

Mr. PRESIDENT: Just a minute, Senator Hall.

SENATOR W. W. HALL: I am on a point of order, Sir.

Mr. PRESIDENT: What are you on?

SENATOR W. W. HALL: I am on a point of order. I am on a point of elucidation.

Mr. PRESIDENT: Yes.

SENATOR W. W. HALL: Let me explain to him, Sir. I did not say that, Sir. I said that in looking at the process of negotiating, one has to understand that following the recession of 1973, it is obvious we cannot go on every year with 30 per cent and 40 per cent *ad infinitum*; that it is not the norm, but there have been times when 10 per cent and 15 per cent have been the order of the day. Let him not mislead the House, Sir.

(Asides)

Mr. PRESIDENT: Order.

SENATOR H. R. LINTON: Senator Hall may have said that, Mr. President. I give it to him.

I, though, Mr. President, am more concerned with what he did not say. He did not say that the workers can get a cent more out of this economy as it presently

stands. He did not get up there and say that Government should offer more than \$25 a week, because he knows that the Government cannot afford to pay it — and that is my contention.

He is arguing about a procedure. Well, I do not think the workers are really interested in a procedure. I think the workers want to know from the Opposition if, indeed, the Government has the money, but is not paying. I think the workers are happy that the Government cannot find the money at this present time. I do not think they are really worried about procedure.

It is like going to court. To an attorney, the procedure is all important. It is imperative that he follows the procedure. The accused person only wants to hear the jury say, "Not guilty." He is more interested in the end result. He is not too interested in how you get there.

So that is very enlightening. The Opposition and Senator Hall, the spokesman of the Opposition, apparently agree with Government that it is impossible to pay more than \$25 a week.

Let me just, in closing, make one point. This hobby horse about parliamentarians giving themselves an increase in pay, always makes for cheap publicity, Mr. President. The last time it happened, one member of the Other Place was seen in the newspapers handing over his cheque to a charity — and God knows if he was the only member of that charity, Mr. President — but he did not hand over any other cheque. In fact, Mr. President, if one checks with the accountant in Parliament, one would realise that all the other cheques went into the bank. Cheap publicity. One Opposition member handing over his extra \$150 a month to somebody who belonged to his own charity, his constituency group:

Now we have Senator Hall criticising the need for parliamentarians to give themselves a rise in pay. Parliamentarians who do not have access to their own cars, far less a company car.

We have some private companies here, that make beer and other things, that give employees some of the biggest company cars you would ever come across, Mr. President.

Mr. PRESIDENT: Take it easy.

SENATOR H. R. LINTON: Those cars do not tend towards energy conservation either — and I am sure Senator Griffith will have a lot to talk about that — those big company cars that certain Public Relations Officers drive, including some parliamentarians, Mr. President.

Parliamentarians do not have access to these perks. You call them perks; they are too big to be perks, Mr. President. A big Mazda car giving you five and six miles to the gallon — and the company pays for the gasoline too.

The poor parliamentarians, Ministers, who have to look after every need of their constituency, every time they are to get a pay rise, they are criticised. They live in the same society, Mr. President. This is cheap publicity and I think the time has come when we should put a stop to this kind of cheap publicity which members of the Opposition always tend to argue.

In conclusion, Mr. President, I want to end as I began. It behoves the Government to use every means at its disposal to communicate to people, ignorant or otherwise, the importance of restraint in these tough recessionary times.

I think we should get some of those same economists from the University of the West Indies, who are fond of telling us when we could be doing better, to go on radio and television and let the people know that these are times that are not of our making - we are simply at the receiving end.

Thank you, Mr. President. (Applause)

Mr. PRESIDENT: Senator Griffith.

SENATOR C. A. GRIFFITH: Thank you, Mr. President. After hearing such an erudite contribution from Senator Linton, I feel at a loss, because he has stolen some of my thunder.

But it is particularly important, after you hear some of the statements made by the Opposition spokesman on this matter, really to look at this whole matter of the collective bargaining process, the attitude of Government and the attitude of management and put it in perspective, and I would just like to posit one or two points.

For instance, when we start talking about the need to bargain, the projections as far as costs are concerned and what you bargain for as a union, I want to know if the Opposition spokesman could deny, for example, that within his company and several other companies that they make budgetary projections in lump sum terms for how much money they are going to pay to a union. It is a fact of life.

Well, the Government is doing the same thing in this exercise. The Government is saying, in effect, that it has \$25 million, and it has no more money - and I will explain some of the problems as I go along - yet we hear that we must find more than \$25 million dollars. I know that the Opposition spokesman, who is also the chief negotiator for his company, has a mandate when he has to bargain collectively with the unions. He is told that he cannot go further than this amount of money, because it is set aside in the budgetary projections of his company. Well, the Government has a similar situation. And unlike the private companies where if unions decide

that they want more money the Board of Directors say they are going to cut back, it is not so easy to cut back in the Civil Service. It is not as easy as in private companies.

But let us look at the situation with the Government in these difficult times. We have heard talk about the international recession and how it has had a significant impact on what has happened in this country, and - let us not fool ourselves - Barbados cannot be exempt from anything that is happening internationally.

We know what is happening with the tourist sector, and we have heard all kinds of prescriptions to cure the problems affecting the tourist sector. But we have to look at what is happening in the countries from which we get our tourists. For instance, Canada, where people are having such severe problems that they are walking away from their homes and so on, because they cannot afford the day to day means of existence. These are serious, serious questions.

What it will also do to my mind is to call on the Barbados Government and the tourist industry particularly to reassess and to profile what, really, a tourist represents. This is a very, very, serious question.

Let us again look at what has happened with Government's revenues. Government is experiencing falling revenues in a time of recession. That is a common fact of life. Added to that is the fact that we have within the Government some \$45 million outstanding going back to 1971 - \$45 million in uncollected taxes because people feel, well, it is the Government, so they don't have to pay. When it is the Government, people find all ways and means of trying to avoid paying taxes.

We have people who owe Land Tax, absentee land owners. People who owe Land Tax and find ways and means of avoiding to pay. They are people who owe Income Tax arrears. People who you file in the High Court and get delays from the High Court about satisfying their tax liabilities. There are people who go to the hospital, go into pay wards, and give wrong addresses so that they do not have to meet their commitments. There is something like \$5 million owed to the Queen Elizabeth Hospital for fees. These are the kinds of problems with which a Government is faced.

We have had in this Government, within the last six years, significant tax reform, in that we have moved from the emphasis on direct taxation to indirect taxation, and of course, whenever you move into a system of indirect taxation, you are asking for more and better ways by ingenious people of tax avoidance. That is what you are dealing with. It is more difficult under the regime of indirect taxation to budget revenues to a closer percentage than it is under a regime of direct taxation. It is more

difficult, because you are putting more pressure on your revenue collection structures, and this is the problem.

But what are we doing? In addition to the fact that we have some \$45 million outstanding, we have the Hotel and Restaurant Tax where hotels and restaurants are only agents of the Government, and it is very difficult to collect that kind of tax — and the Government has to find ways and means of collecting this revenue.

But then, we are talking about those difficulties occasioned by the inability of the Government to collect the taxes, for whatever reasons, and you are asking people, also, to depend on various measures of Government which give them the impression that there is something called a free lunch.

We should be honest with ourselves. We should be honest enough to tell people that there is no such thing called a free lunch. Back in 1962, when there was talk about a free secondary education, people felt very happy about it. It was a political master stroke, I must admit. People felt that they would not have to pay more school fees for the children in secondary schools, but they were paying it in taxes. The burden was shifted from direct payment to taxation.

We have a system in this country where today we have free school meals which cost the government something like \$10 million a year. This is the operative word "free" — free school meals. We have free education up to the tertiary level. We have a free text book scheme, with all its implications of people not caring whether or not the text books are returned in a proper state because they do not have to pay for them.

And there have been some significant disadvantages to a free secondary educational system, "significant" because people feel that they do not have to worry about whether their children learn or not. Then, we have the problem, when they try to get into overseas universities and they don't have the required grades to get into overseas universities, they come and pressure the politicians and say, try and get my children in a school.

These are all disadvantages with which you are faced when you are asked to be a welfare state, and, in fact, this is what it is. You want subsidized bus fares. Yet, still, out of the Government Treasury, you have to pay \$17 million a year to subsidize the Transport Board. It is our taxes and taxes of the people outside which have to subsidize the Transport Board. So when people start thinking about a Government subsidy for this and that; people collecting National Insurance as agents of the Government and would not pay it in, they are harming the entire economy, and it is felt in greater measure when you have a recession such as what we are having in this country today.

My fellow senator alluded to the situation in Japan. Who would have thought that we would have heard about problems affecting Japan the way they have been affecting Japan, a country that is considered a model for any small democratic country looking at industrialization.

It is not like the '60s when we had an average growth rate of 8 per cent. Those were the good old days, and they are gone forever. So when we hear this talk about going back to the bargaining table "X" number of times to satisfy the people that you have been bargaining in good faith — I do not understand what that term means up until now, Mr. President, this talk about bargaining in good faith — you either bargain or you do not bargain — but we keep hearing this strike nonsense from the Opposition benches about bargaining in good faith as though the Opposition has never yet come into Parliament and legislated salaries.

It is utter nonsense to get in here and talk about bargaining in good faith and go back to the bargaining table when you know that you only have \$25 million. What are you bargaining for? Explain what you are bargaining for? The Chief Establishments Officer has a mandate from the Minister of Finance. He has \$25 million, and you spread it around.

When things were good in this country, we gave the highest level of Civil Service increases that we have had in the last 30 or 40 years, something like 37 per cent, and at that time the unions were still encouraging people to go slow and to go on strike — for the highest level of increases in this country. Yet we find now that we should go back and bargain in good faith with some of the people who are so irresponsible that they are trying to politicize the situation as far as the country is concerned — the Barbados Union of Teachers.

We all know, those who were going to school in the 40s and 50s and what have you, that teachers are not as dedicated today as they were. We have a lot of professionals — it is true; but we also have people who are, in effect, a disgrace to the teaching system, and I say that without fear of contradiction. We have teachers in this country who at lunch time go to the rum shops — it is a fact of life — when they should be trying to cater to the needs of children.

Where is that commitment that we used to have in this country? We do not have it anymore. We hear that we should have a strike because it is the in-thing to do. Talk about industrial action, because you are going to embarrass the Barbados Labour Party Government.

I say, again and again, that it is very difficult at this time for people to try to force the Government into something that it cannot do any more on. And I am satisfied that the people of this country have been

educated enough about the international situation; they understand what is going on, and they are behind the Government on this issue.

So let the Opposition flail, flail and flail. If they consider it a political issue from which they can get some points, let them test the public's reaction on this matter. We all will be inconvenienced if these few unions go on strike, but I am sure that, from what I can see, the Government is on the right track, because it is as simple as this — we just cannot pay anymore. And when things improve, as the Prime Minister has said, the unions will get their share of whatever good we have to pass around — as we have done in the past.

SENATOR THE HON. O'BRIEN TROTMAN: Mr. President, Senator Hall spoke, and the one point he was trying to make was that the Government should continue to negotiate. If he was early, he would have had the benefit of an object lesson I gave, explaining the system in which people are paid salaries out of the public funds in Barbados, and we would not have had the inconvenience of listening to him.

There is one thing which, obviously, he does not understand. A private company negotiating salaries, or, for that matter, any conditions of service with a union, has various procedures through which the two bodies may go. As it is here in Barbados, it would be real stupidity for anybody to suggest that a Government and a union locked in negotiations should call in a third person, because the final negotiator in any salary negotiations in Barbados for public workers is Parliament.

If the senator understood that we are the persons who must decide what is the level of pay and not the Civil Service negotiators, not the Prime Minister, if he understood that it is now the salaries are being negotiated in fact, because under the Civil Establishment Order we have to decide what the pay is — I am sure his research officer can educate him on that — he would not be talking of going back to arbitrators.

We cannot have a situation in a country when an arbitrator can dictate to Parliament. Parliament must always be supreme, we understand the supremacy of Parliament. You cannot have a situation where you have a tribunal dictating to Parliament what the pay must be, we have to decide what it shall be. He is going to vote, "No", he says.

He made half a point about 1976. Nineteen seventy six was a black year in the history of industrial relations in Barbados. In 1976, I will tell you about the 21 meetings, and I will tell you about two of those meetings especially. The National Union of Public Workers met with the Chief Establishments Officer one afternoon to hand over a packet of proposals to the Chief Establishments

Officer, and thereafter they had a general conversation with the Chief Establishments Officer about the state of the economy of Barbados. That is meeting number one.

Two weeks after, the Prime Minister summoned all the unions representing public workers to his office to put the Government's case. That is meeting number two. He spoke for about half an hour, put the Government's position and promised to get back to the unions. The third meeting was when he went to Parliament and sought to pass the various Establishment Orders. So there were two in his office and one in Parliament, and that is the 21.

The trouble with Senator Hall is that he heard this 21 on the platforms of his party. He did not take time off, as he should have done as a public relations officer, to see if it was true or not, but he comes to Parliament repeating this 21. Two in Bay Street and one in Parliament; two and one are 21, and I have had to tolerate listening to that absolute lie over and over again in 1976 and in 1981 during the elections.

(SENATOR W. W. HALL: Which side were you on?)

SENATOR THE HON O'B TROTMAN: It is unimportant which side you are on when truth is involved. That is how you get 21.

The circumstances are different. The negotiators of the Government on both occasions, in 1980 and 1982, held several meetings with the Unions, separately and collectively.

He sought to make out a point that, in any case, in 1976 when his party legislated salaries, it was not too bad because it was a massive 35 per cent. He forgets, of course, that it was a 35 per cent pay increase in a year when, because of the total mismanagement of the Ministry of Trade especially, through an absolute stupid policy of price controls, prices in Barbados were pushed up by 90 per cent in two years — and then they legislated salaries by 35 per cent and talked about a massive 35 per cent increase.

We have never had price increases to the tune of 100 per cent yet under the Barbados Labour Party, and we never will. Every other day a Price Control Order was out; absolutely stupidity, and the result was 100 per cent increase almost in two years, and then they sought to blame the oil crisis.

I well remember, because I took time off to check it. During the 1973–76 period, when salaries came up in 1976 to be reviewed, I checked the increase in the cost of living throughout all the countries of the world who were

then members of the United Nations, and Barbados was in the bottom league. When Britain was running at 14 per cent over two years, Barbados was doing 90 or 100. We were in the league of Argentina, Vietnam, which had a war going, Brazil and Chile. So they cannot tell us about managing any economy.

One last word for him, Sir, about who represents whom. I have heard a lot about who represents whom. When a company sits down with workers to negotiate, the unions can clearly say that they represent the workers.

In this kind of ball game, we represent the workers, we do not come here because anybody else voted for us — the workers say we represent them. And whereas Mr. Goddard represents the nurses, Mr. Walcott represents the cantonniers, and somebody else represents the teachers — we represent the workers.

It is the workers who voted massively for us, so we talk about the workers. Do not tell me about anybody representing the workers. The only representative of the workers in Barbados is the present Government, because they voted for us.

Thank you, Mr. President.

The question that the Senate approve of this Resolution was put to the Senate and agreed to, Senator W. W. HALL voting, "No".

Mr. PRESIDENT: Would you like your vote recorded?

SENATOR W. W. HALL: Oh yes, Sir, most decidedly.

Mr. PRESIDENT: Record the vote of Senator Hall.

SENATOR THE HON. O'B. TROTMAN: Really, Sir, I do not expect a lot of debate on the other four Resolutions, since they are merely companion Resolutions for the purpose of facilitating all sectors of the Public Service.

THE CIVIL ESTABLISHMENT (TEACHERS) (AMENDMENT) ORDER, 1982

Order No. 13 — To move the passing of the Resolution to approve the Civil Establishment (Teachers) (Amendment) Order, 1982.

SENATOR THE HON. O'B. TROTMAN: Mr. President, as I said, this is a companion Resolution to pass another part of the Civil Establishment Order.

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

The question was put to the Senate and agreed to.

RESOLUTION TO APPROVE NEW RATES OF PAY FOR TEACHERS IN THE OLDER SECONDARY SCHOOLS

Order No. 14 was called — To move the passing of the Resolution to approve new rates of pay for teachers in the Older Secondary Schools.

SENATOR THE HON. O'B. TROTMAN: Mr. President the teachers in the older secondary schools are not covered by the Civil Establishment Act. Nevertheless, their salaries have to be passed in Parliament.

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

The question was put to the Senate and agreed to.

RESOLUTION TO APPROVE NEW RATES OF PAY FOR UNESTABLISHED STAFF AND CASUAL EMPLOYEES

Order No. 15 was called — To move the passing of the Resolution to approve new rates of pay for unestablished staff and casual employees.

SENATOR THE HON. O'B. TROTMAN: The Resolution has to do with the payment of weekly and daily paid staff.

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

The question was put to the Senate and agreed to.

RESOLUTION TO APPROVE THE CIVIL ESTABLISHMENT (PART-TIME OFFICERS) ORDER, 1982

Order No. 16 was called — To move the passing of the Resolution to approve the Civil Establishment (Part-time Officers) Order, 1982.

SENATOR THE HON. O'B. TROTMAN: This is a similar Order, Sir, to the Teachers (Amendment) Order, except that it deals with the part-time workers who are monthly paid.

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

The question was put to the Senate and agreed to.

SUSPENSION OF SITTING

Mr. PRESIDENT: I think it is a convenient moment to have a short suspension. The Senate will be suspended until 2 o'clock.

On Resumption

SPIRITS ACT, 1982

Order No. 1 was called — To move the Second Reading of a Bill to repeal the Rum Duty Act in order to make better provision for the distillation of spirits and other matters.

SENATOR C. A. GRIFFITH: Mr. President, back in 1979, the Cabinet concluded that the Rum Duty Act, as it stands now in the Laws of Barbados, should be revised in order to provide for a new system for the permitting of rum, to introduce a warehousing system and also to modify the provisions of the legislation.

It is a comprehensive piece of legislation and the changes were so extensive that the Attorney General decided that it would be better to have a new Spirits Act, as it were, and the matter for consideration before this Chamber is just a repeal to the Rum Duty Act as it stands and the introduction of a new Act called the Spirits Act.

A little bit on the whole question of spirits, Sir. I would just like to take this opportunity to look at the situation as it affects Barbados, particularly with the situation overseas in relation to the marketing of our rum.

I am satisfied that if a considerable effort is made in the traditional overseas markets — when I say “traditional”, I am talking about our traditional trading partners — that the marketing of rum can pay dividends.

In the past, we have had some difficulty, particularly in the U.S. markets, because of protective tariffs accorded to the Puerto Rican rum interests. It has created some problems for us because we have found that, for instance, in the United States, because of that protective tariff, that the Barbados rum has been positioned at a higher price as a matter of fact than scotch and other so-called exotic spirits.

We hope that some effort will be made to deal with this problem, especially under the CBI proposals. When we look at that particular market, you will find that there is a certain captive market for West Indian rum. I know that Appleton, which is made in Jamaica, is sold in the U.S. market, but we have a significantly large West Indian community in many cities in North America which I consider a captive market.

I know, Sir, that one concern in Barbados has taken the steps to market rum there, as it is bottled in Barbados, simply because they feel that there is that market available. I have known of another outfit which marketed limitedly, because of the protective tariff again,

and we found that, for instance, they could only market to a certain discerning sector of the community. For instance, the yachting community and the New England coast used to buy Barbados rum that went through a further blending process in New Jersey.

But I find that if we continue to make serious efforts with the promotion of rum in the North American market, we can bear fruit.

There is going to be some difficulty, and when I say “difficulty”, I mean as far as financing, advertising and promoting rum if you want to bring in people who are now sort of wedded to the Puerto Rican rum market, simply because the Puerto Rican rum, particularly one called Bacardi, which is just a brand name, has, in effect, supplanted the generic name “rum” — so much so that if you went to a party in New York City, you could find people, instead of asking for a brand name with a soft drink, asking for Bacardi and coke.

That is a dangerous thing simply because as soon as that identification is made where a brand name supplants a generic term, you get the problem of trying to de-emphasise that particular brand name, and then try to get people to relearn that there are other brand names and so on.

So I find that we have to move very quickly and try to deal with the problem, because you are talking about a market which, in effect, is controlled by 90 per cent of the Puerto Rican rum interests, and I do not see why Barbados should not be benefiting from the market as it stands, especially under the CBI provisions.

One thing that we should be dealing with when we start talking about marketing our products, and indeed rum would come under this heading, is that Government should seriously look at the establishment of setting up Commercial Attachés to the overseas missions.

This is something that I know has been done in a limited way, but certainly not to the extent where we can take advantage of the markets that are available for Barbadian products. When I talk about Commercial Attachés, I am not talking about people who may be appointed simply because they wear political clothing. I am talking about people who are capable, well qualified and are prepared to work hard, because that is the only way that we can really make any effective dent in markets that are sophisticated and markets that are highly competitive. We must have people who understand these markets and people who are prepared to work very hard in the interest of our country.

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

SENATOR C. D. SEALE: Mr. President, I welcome this new Rum Act, and I suppose at the very outset I will have to declare an interest, because I note that I will be designated a warehouse keeper when this Act is proclaimed.

Sir, the rum industry in Barbados has been under severe attack, I think an image attack. Rum consumption in Barbados has been steadily declining — in 1979, it went down by about 10 per cent; in 1980, it went down by another 10 per cent; in 1981, it stayed more or less level, and I am quite certain that in 1982 it is going to go down again.

Sir, we have a lot of excess capacity and distillery capacity. I think that our distilleries have the capacity to produce between five and six million proof wine gallons. At present, they are only producing about two million, of which roughly half a million goes into local consumption and about one and a half million gallons are exported.

However, Barbados is a high cost producer of rum in comparison with countries like Guyana, Jamaica and Cuba. Our problem is, perhaps, the efficiency of our sugar factories, because they tend to take all the sugar content out of the molasses, and that means that we have to use more molasses to produce one gallon of rum than say Guyana or Jamaica.

I believe, Sir, the Government should give some consideration to some sort of subsidy to exporters of rum in bulk, because I am quite satisfied that we can export another two million gallons of rum a year if we can lower our prices by about 40 cents. Sir, it would mean that we would need a subsidy in the vicinity of about \$800 000 in order to earn foreign exchange of about \$5 million.

Sir, Senator Griffith mentioned marketing. It has been a long story about marketing Barbados rum as Barbados rum rather than in one specific brand. However, the problem with this is that marketing in the United States is a very expensive proposition, and unfortunately, the producers here do not produce enough really to spend even to mount a very small advertising campaign. Therefore, I think that one of the movements we have to go to is more or less what has happened in the case of Mount Gay, sort of joint ventures with other big distributors in the United States.

Sir, to get back to the Act, it was necessary before one could export that one had to bottle in-bond, and it was necessary to have an officer present at all times and to pay that officer, so that it meant that small companies wanting to get into the export market were really excluded, because if we had, for instance, a small order of 50 or 100 cases, which is more or less what we would get at the beginning, it did not pay one to have an officer and spend \$2 000 to \$3 000 a month in overtime and payments.

I mentioned the word "overtime" because it is a very funny thing. That officer kept the keys to your warehouse or your bottling plant, and they had very specific regulations in which the officer had to be picked up at the Customs Warehouse door at 8.15 a.m., taken back there by 10.45 a.m. for lunch, then taken back up at 12.15 and returned by 3.45 p.m. This travelling meant that, really and truly, the production of your warehouse would probably only be between three and four hours a day; so that is was a very expensive matter.

I think it came over from the olden days, it probably was brought upon them. I am very pleased that this new Act will exclude this problem: that we will now have the warehouses, the spirit warehouses and we will have to get a bond, and that the officers will come; but they will come more in a matter of checking and keeping records, and the owners will pay over the duty as the rum is sold.

Sir, I believe that Barbadians have got to recognise that rum is an indigenous product of our country and we are very proud of it, but we have got to start moving a little away from beer and get back to rum drinking, a little away from gin and a little away from brandy. I know, for instance, in 1980, and 1981 when things were rosier, the man in the street took to drinking brandy. I hope now things have gone into recession that he will go back home and start with rum.

In closing, I must say again I welcome this new Act. It is progressive and I think it can only do good for the Barbados rum industry. I thank you.

SENATOR W. W. HALL: Sir, we are not apart on this one at all, so I need not bridge any negotiable gap. I merely rise to say that my good friend Senator Seale has just said that the consumer must move away from beer, a product of Barbados, the best, prize winning beer, and go back to rum. Sir, I think we should both live together in harmony, and that is the reason why I have got on my feet to tell Senator Seale not to get carried away.

The Minister in his remarks spoke the truth. No doubt he has a developed ego and, therefore, he is speaking the truth today. He said that if considerable effort is made in the marketing of rum, great benefits will accrue, or words to that effect. So true, Sir.

Even with the CBI, Puerto Rico feels that the U.S. plan for the Caribbean — and I notice that Senator Trotman having been on a trip the other day in this would probably respond to me — will cut the feet from under that island of Puerto Rico, since it will allow more competition for their fragile export market into the USA. That is a fact.

We still have insular tendencies in the Caribbean, therefore we tend not to see a West Indian rum, or even, say, a Barbadian-Trinidad rum as we travel further afield. The honourable member alluded to the fact that in the United States of America, when one talks about rum, you hear about Bacardi and Coke. It is true, and it is sad that that is true. If you even go further afield, say to Australia, and Sir, you have been there, there was no way that you could get a Cockspur, a Mount Gay or Martin Doorly. In Adelaide you might have got a Goddard's Gold Braid, I am quite aware of that.

But, Sir, a rum and coke is a Bacardi and coke, and it is inferior rum, if I may say so. I tasted it and I can say that it is an inferior rum, and in Australia you will find that the Bacardi and coke supersedes the Brundaberg rum.

I am talking from experience, Sir, and I am saying that what we need to do — following Senator Seale here now: not on beer but on rum — he is a great rum man, I give him that. Sir, but he does not know much about beer — we need to further pool our resources. It is obvious, Sir.

You know what is surprising is that we tend to wish to see our brand names on bottles in far off countries. That is what is happening, Sir. Everybody wants to see the names. Manufactured by X, Y, Z — I shall not call the names, Sir — this is the problem.

If we had bulk rum in England, I am saying that we would drink it like the waters that flow down the Thames. That is a fact. But nobody ever thinks in terms of marketing. We are not really great marketing people. This is the point, we are not particularly good marketing people. We should market our produce and our products better.

Bearing in mind that we have a fantastic product in rum — we do, we have a fantastic product — we should sell it further afield in places in Europe and in Australia. I know why I mention Australia, Sir. I have seen people, having tasted a little drop of Barbadian rum, hanker for it for days and months.

Now I have a suggestion, Sir. We have people living in far-off lands, who are quite capable of selling Barbados. Sir Garfield Sobers lives in Australia, Sir. If we are talking about marketing, if we know anything about marketing, what is wrong with paying some money, well spent money, in advertising Barbadian in particular and West Indian rum in general. I am saying this, because you know the value of advertising — we do — and, you know the value of famous people doing this advertisement.

I feel, Sir, that I am throwing out a little hint to the Government. There are a few other hints that I will

throw out, but not under this Bill, Sir. Senator Simmons knows that.

The point I am making, Sir, is let us make an effort, for the good of all in Barbados, and, indeed in the West Indies, to use the resources we have and let us do away with the insular tendency. Let us try and see if we can get the rum in bulk form and let it be marketed as Barbadian rum or West Indian rum instead of putting fancy names on it, because some of the names that are on the rum are no longer with us — I do not think I can call some of the names.

I would just like to say that I rise merely to make the point that we in Barbados must never, never move away from beer, Sir. I want Senator Seale to get up and say that that was a mistake, Sir, that he did not actually mean that. (Laughter) I really want Senator Seale to say, as a Barbadian and as a man who has done a lot in this country, that he understands that beer is here to stay. And I am quite sure, Sir, that if he does not say it in this Honourable Chamber, I know that on the outside he will come up to me and say that he really did not mean it.

Mr. PRESIDENT: Senator Griffith.

SENATOR C. A. GRIFFITH: There is not much to say on this except to point out, Sir, that I appreciate the fact that under the CBI the Puerto Ricans should be concerned, because in effect, what the protection is there for, as everybody knows, is an inferior product.

I do not understand why there is the reluctance, particularly in small countries like Barbados, to try to be more aggressive about marketing and to understand that when you move outside the region you have to be ingenious and you have to understand the markets in which you are dealing.

We should not, if we are really entrepreneurs as such, be concerned about the cost of marketing. We should not sit back and expect, because the CBI has been set up to help countries in the Caribbean and Latin American countries, that success is going to fall into our laps.

I must issue a word of warning to all concerned that there is still a lot of work ahead to be done and that the only way you can succeed in a market as dynamic, as discerning and as competitive as the U.S. market is through aggressive marketing, a certain amount of planning and, of course, trying to understand that it costs money to deal with that kind of market.

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

On the motion of Senator C. A. GRIFFITH, 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.

SENATOR C. D. SEALE: I beg to move that the Bill be taken in parts, Sir. I think it has seven parts.

The question was put to the Senate and agreed to.

Parts I to VII inclusive were called and passed.

SENATOR C. A. GRIFFITH: Mr. Chairman, I beg to move that the Senate be resumed and that you do now report the passing of one Bill in Committee without amendments.

The question was put and agreed to, Mr. President in the Chair.

Mr. PRESIDENT: My attention has been drawn to the fact that in some of the copies circulated to honourable members, part of Part 7 has been omitted through a printing error, but the master copy has the full Part 7.

Senator Griffith.

SENATOR C. A. GRIFFITH: Mr. President, I beg to report the passing of one Bill in committee and ask that it be read a third time forthwith.

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

On motion of Senator C. A. GRIFFITH, the Bill was passed.

PETROLEUM WINNING OPERATIONS TAXATION ACT, CAP. 82

Order No. 2 was called — To move the Second Reading of a Bill to amend the Petroleum Winning Operations Taxation Act, Cap. 82.

Mr. PRESIDENT: Senator Griffith.

SENATOR C. A. GRIFFITH: Mr. President, this is just a matter of making an amendment to a date, and I think, for the benefit of honourable members, I should go into the background of this.

Back in 1979 when Mobil International purchased the international assets of General Crude Corporation, the agreement called for Mobil to be allowed to carry for-

ward all the liabilities of General Crude, and a special provision was made at the request of Mobil.

The Act is currently worded in such a way that if you look at the date targeted for the amendment, you will find that it says July 5, 1979. In effect, the deal between Mobil and General Crude was consummated on July 6, 1979, which meant that if the date of the legislation says July 5, and the deal was consummated on July 6, it meant that Mobil could not benefit under the terms of the present legislation. So the Government has been approached to change the section so that the effective date would be July 7, so that the international corporation Mobil could benefit.

Well, the Government has acceded to the request in this case, and there is a simple explanation. Under the Taxation Act, if a series of individuals or partnerships succeed one another, provision is made for the carrying over of unexpired expenditure which qualify, and capital expenditure to be written off within a period of time. Ordinarily, companies do not qualify in the same way. So when the request was made, it was very easy for the Government to grant the exception to Mobil.

So all this Bill seeks to do is to amend the legislation so that it reflects the date July 7, rather than before July 5, so that Mobil could benefit.

I would like to point out Sir, that during the negotiations, we had considerable discussion with Mobil with a result that the Government ended up collecting some \$656 000 from the transaction in Property Transfer Tax.

Currently, we are having a new Petroleum Act being drafted. It will be a more comprehensive piece of legislation affecting petroleum on-shore and off-shore in Barbados. The new Act will replace the existing legislation, which, really, is out of date simply because of all that has been happening in the international arena as far as exploration and production of oil is concerned.

Among some of the areas which will be covered under the new legislation will be the protection of the environment and a tax regime, which seeks to make Barbados better off in case there are significant oil finds.

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

Mr. PRESIDENT: It is proposed that this Bill be read a second time. The question is that the Bill be read a second time. Sorry, you wanted to speak? Well, speak before I put the question. All right.

SENATOR W. W. HALL: Mr. President, as the Minister said, it is a rather simple legislation moving the effective date to July 7, instead of July 6, 1979.

While I am not an expert on these matters, Sir, I would have to confess that I am willing to learn, and as I read the debates in the Other Place, I must say that they were so lacking in information that I am forced to believe that since the repository of all petroleum and energy knowledge happens to grace this Chamber, I am confident, Sir, that I, and the people of Barbados, will get the answers they have been looking for for some time.

In the first place, Sir, I would like to know, and all the people in Barbados would like to know, first of all, what was purchased. We would like to know what actually was purchased. And I would like to ask the Minister, because I know he is qualified to tell me, if the Government bought the potential which Mobil told them was in the ground? I would also like to know why we should pay money for anything that they are drilling or what they think are in those wells? Those are straightforward questions, Sir, and I am quite sure that the Minister will clear the air once and for all.

You see, Sir, if one remembers Heywoods, if one remembers Bath, and, indeed, if one remembers Sea Foods, the vilification, the character assassination, the rumours of corruption that were so rampant, Sir, and the then committed view of the Government that they would not enter into such deeds before coming to Parliament, I ask the Minister now, Sir, to explain that.

The Government well, I think you would say that we have acquired Mobil. But I have searched, Sir, and I cannot find any vote for it, and I am asking why? I cannot find any vote for it, not in Parliament.

Another question I would like to ask the Minister is this: it is reported in the Trinidad newspapers that the Government borrowed \$15 million to pay for this deal. Is that true or false? It is a question I would like answered. If it is not true, then I would like to know where the money came from, especially in these recessionary times when we have not got money to pay the Parks and Beaches workers, we have not got money to pay the Highways and Transport workers. I am sorry that Senator Simmons has just blown his top and gone. I would just like to know where that \$15 million came from.

And so that honourable senators will be seized with the facts, I would just like to remark that the former Minister of Trade, ex-Senator Branford Taitt, had negotiated with General Crude an agreement on sea exploration which required a payment of a large sum of money to this country if the company failed to do marine exploration. The question is, was this waived? I have not seen or heard anything about it, Sir, and I am curious. I want to know if somewhere along the line this was waived.

My position here is not one of critical analysis, what I am actually seeking from the Minister is a little information. As I began, so shall I end, with the realisation that the Minister is quite capable today, October 6, of informing the people of Barbados of some of the issues that have worried them in recent times, and I am quite sure that if he clears the air he will be doing a great credit to this country.

SENATOR C. A. GRIFFITH: Mr. President, I do not want to be contentious today, but when I get the kind of questions that have been asked about this thing, I really have to get angry.

In the first place, I have been making a public comment from the time I took responsibility for Energy that we cannot afford to be partisan about the whole question of approaching solutions to these problems, simply because there is very little control we have in Barbados over what affects us, and I hate to be put in a position where I have to go back to 1962 and flail the Opposition, which was the then Government, about an agreement with which we are still trapped right there in Greaves End, the Mobil Refinery Agreement. I do not want to talk about the Mobil Refinery Agreement to the detriment of the Opposition.

Let me go back even to 1974 to an agreement when the then Minister, who was just called to put these questions in the Senator's head about the General Crude Agreement, was in charge. One of the reasons that we found ourselves strapped with the Mobil exploration situation, where we were forced to enter into negotiations even before we were ready, was because General Crude, under the then Government, was given permission to take out a production licence and to stop drilling for 21 years.

That was a Cabinet decision taken in 1974, which meant that Mobil should this year decide that they are finished drilling, they are going to take out a production licence, which means that the people in Barbados would have been suffering a fall-off in natural gas. That is the first thing it would have meant, because there would be no more drilling and production. There is an association between natural gas and the drilling operations.

It also would have meant, since there would be no more drilling and no more production, that we would have to import more crude oil, with the kind of effect it would have had on the balance of payments situation.

I do not know why people who have been guilty in the past of strapping Government into uncertain agreements should now be seen to be in the background asking some silly questions which are only a reflection on their ability to deal with these matters when they come before them.

I have never wanted to attack the decision makers of that era, because I can understand decision making under pressure, I can understand decision making where there is a considerable deal of ignorance, I can understand decision making where people just want to play to the Gallery all the time and fool the people, but I have been very patient with this and I keep hearing questions about contradictions in statements made by people who are associated with energy in this country.

What greater contradiction can you want when in 1973 the only policy statement we got from the then Government was that the Minister of Trade, who was supposed to be the repository of all knowledge on energy matters in that period, came on the television in this country and said we were going to have a black Christmas. Then the Prime Minister, who was away for three months, came back and said he was talking foolishness, we were going to have a white Christmas. What greater contradiction can you want than that? Now we hear these people who have been living in these glass houses for so long come throwing stones about the whole question of energy.

One thing I have consistently stated is that we have never had a coherent policy to deal with the problems of energy under the DLP Administration, and that is the point I will make all the time. It is a fact of life. We found that in answer to the 1973 oil crisis, when in the following year you had 40 per cent inflation, the only answer you had to it, was to set up a privilege pump, where certain people could get gasoline when they wanted it, and the populace had to get in a long line. That is the only answer, so now we are trying to grapple with the problem.

I am not saying that the present Government has all the answers. It would be a fallacy for anybody to believe we have all the answers, simply because we are dealing with a situation of uncertainty.

Let me deal with the real question which has been posited on behalf of the people of Barbados by people who ought to know better and people who, if they had been following the situation, would not get up in here and make statements such as this. I just cannot understand it.

When this deal was negotiated with the Government, when Mobil came to us and said that because they were cutting back on their operations, they wanted to get rid of the Barbados operation — and they are entitled to do that because it is a private operation, and this country has always had a policy of trying to attract the private sector. We have an IDC office in New York and one in Brussels trying to encourage offshore investment in this country.

Obviously if you can, you set out on a policy of trying to encourage offshore investment, but you cannot then take steps to try to discourage people from protecting themselves. There is no way you can, and this is one of the major points that international operators ask about all the time when they come into countries like Barbados, developing countries — they are not so much interested in the fiscal incentives as far as tax holidays are concerned, their major interest is in capital repatriation. They want to be able to pass back their profits and benefits to the shareholders of those companies, so, consequently, and I have always argued this, you have a situation where the host country may be in conflict with the multi-national. It happens all the time, and the steps you have to take is to try to minimise the area of conflict.

Now Mobil came into Barbados and took up a marginal operation because they had acquired the international assets of a smaller company. Nobody in their right mind, who knows anything about a company like Mobil, one of the largest in the world, with a budget several times bigger than the budget of the combined Caribbean, would think that Mobil would want to come into Barbados and buy a Woodbourne oil field. But they acquired it as part of their international assets of the company, and as soon as we had the oil glut, they started trimming — even in the United States they are cutting back their operations — so Barbados would have to go.

One thing we must never forget is that while 800 barrels of oil a day may mean a lot to this country, it does not mean a thing to Mobil. It does not because of their inventory, because of their ability to go into the Middle East and take out as much as they want to take out. We do not have the kind of leverage on Mobil that OPEC countries have.

If we go back to earlier this year when Mobil wanted to move out of Nigeria and cut back production, the Saudis told them they could not do it otherwise they would have to shut down the operation in Saudi Arabia — so they went back and they invested more money.

We cannot do that in Barbados, so the Government of Barbados is forced with a situation where it has to decide what are we going to do with an oil field. There are proven reserves in the ground. Eight hundred and eighty thousand barrels of proven reserves in the ground.

And these are not Mobil figures. These are the figures of respected international consultants, not Mobil's figures. These are the figures of people who have looked at our oil operations in Barbados, the Norwegians, the ECL Consulting Firm which has been advising the Government on this whole matter, the Canadians, everybody is satisfied that we have proven reserves in the Woodbourne field alone of 880 000 barrels. Plus you have the situation

where there are possible reserves and probable reserves of about 1.6 million barrels of oil in the Woodbourne field.

We have to price the whole oil field situation on the basis of, not on the possible or the probable reserves, but on the proven reserves. And if you take the value of the proven reserves in Woodbourne, which have been concurred in by a number of international consultants at 880 000 barrels a day, and you calculate it even on the basis of the world price, which is something like U.S.\$32.50 a barrel, you will find that Barbados has done as well as it could have under the circumstances as far as the negotiations.

Not only that, but when you look at the U.S.\$5 million worth of oil field equipment and supplies, which Mobil was prepared to throw in for over U.S.\$15 million – that is the price they came and ask us – we said, "No", we were not going to pay that for it, but we were going to pay a price that we felt was fair to Mobil and fair to the people of Barbados.

You cannot come and talk about expropriation, as some people in some Caribbean Islands feel we should do. We would not want to talk about that. How can you talk about encouraging foreign investment and expropriation at the same time. It makes no sense to me, so we could not be encouraging expropriation.

Mobil spent about U.S. \$50 million in Barbados for the two or three years that they were in Barbados, U.S. \$50 million, and out of that U.S. \$50 million, U.S. \$15 million was spent in a seismic operation which supplanted this whole question of the General Crude requirement that they should drill for oil off-shore.

Now I do not know if this is the whole idea that has been pushed from the Other Place by the same spokesman, and now pushed in a telephone call here, to be asked of the Government about holding General Crude to doing marine exploration. How can you have marine exploration unless you know what is out there? It is not like taking up a net and going fishing. So this is no big thing that the then Minister of Trade did by saying General Crude should go into marine exploration or pay a fine. That is no big coup. There is nothing big about that. You get these kinds of questions being fed to people who, I thought, should know better.

I know that what is better for Barbados under the circumstances, is that we can get Mobil to put US\$15 million in seismic testing in Barbados, and leave the data with us – and does not cost us one penny. Because of that information, we have been able to discern where in Barbados we have greater potential for exploration production in other areas in the country.

That is the legacy of the kind of arrangement that this Government made under the present Minister of Trade, who is a real Minister of Trade. That is the legacy that we have, that Mobil has invested US\$15 million in this country, and we are the beneficiaries of it; and we are going to take steps in the very near future to see how we can exploit that potential for the benefit of Barbadians.

This is not a question of trying to spit up in the air and pat yourself on the back and say that you have accomplished something, when you have accomplished nothing. If you look at the record of the Democratic Labour Party Government on the question of Energy, there is none.

Let me get on to the other question, some question about if Government bought Mobil, if Government bought the potential.

It is all right to get up and play on words with this glibness that impresses some people out there. It impresses the DLP supporters. If you bought a potential? You bought a potential.

I see the Jamaican Government just sat down and negotiated in good faith with Esso and paid much more than we can pay for it. Tesoro in Trinidad is asking US\$200 million for only a 49.9 per cent share of their holdings with the Trinidad Government. Two hundred million US dollars because of the international oil situation. What are we with something like 2.4 million barrels of oil in one field in Barbados?

We cannot fool ourselves with this. If we want to deal with the problems of energy we will have to commit ourselves to dealing with it in a positive way and stop fooling the people of Barbados that there are any easy solutions. It is just like when the Democratic Labour Party gets up and talk about there are ways to solve the problems of high electricity rates. By doing what? That is what I want to understand. That is what I want them to tell me. Tell me how to solve the problems – but they cannot do that.

It is always very easy to sit back out there on the outside and carp as though you were never in Government before. That is what bothers me. You were in Government for 15 years, so you understand some of the problems. Of course, the last speaker was not in Government for 15 years. He has always been a bridesmaid, but never a bride; and will never get into Government either, so you do not have to worry about that.

The thing is that the Government paid US\$12 million, if the world wants to know that. We have said it several times. The Prime Minister issued a statement.

He took the time to go on television in a joint statement at a Press Conference and made a statement about the oil field. It was no secret.

I hear again about this nonsense that Government should come before Parliament with a Resolution to purchase. The Resolution will come if we have to come in here and ask the country's permission to incur expense on their behalf. Come in with a Resolution to purchase? Your record of that is the worst in the world.

As a matter of fact, we had some situations in this country before where even Cabinet Ministers did not know about purchases that were being conducted in their name. Some of them did not even know. Who would go and buy a cement carrier before you had a cement plant? Who would buy one but a DLP Government? And they had the nerve to try to explain that to the people of Barbados that you were anticipating building a cement plant to carry cement so you buy the boat first — and a cement plant, at least the real one we have in St. Lucy, takes three years to build. That is the kind of cement plant we are talking about. Three years, so you bought the boat first! That is what is happening in Barbados, and these people are walking around telling people that they are waiting for the Government in 1986 again. Wait! You have a lot of waiting.

Mr. President, I sat down here and felt sorry because, outside of this, the Opposition spokesman is a close personal friend of mind. We have gone through a lot together and we can boast of similar backgrounds. He even ventured into my family; he wanted to get some class and at one point was married to somebody in my family who, eventually, saw the wisdom.

The point is that when you are dealing with this kind of matter, do you want the Government to sit down at the beginning of October 1981 and say we are going to buy Mobil next year, so let us put aside \$24 million for it? There is nobody in the Government who can say that they could have seen that Mobil would have sold in 1981.

Even I, who happens to be very close to the situation, always had a suspicion that whenever things got unbearable for Mobil, as far as their whole international operation was concerned, that they may have taken steps. You have to understand the nuances of international business. They are not here to serve the country's interest; they are here to serve their own interests, and when their interests are compromised, of course they pack up and go. There is no moral commitment about it.

Now we hear that the Government of Barbados is being tried in the Trinidad newspapers. The Trinidad newspapers say that Barbados bought Mobil for \$15

million and the Opposition takes it up. That is their whole response to energy. If you go back to the Trinidad newspapers, I am not talking about the respected papers, but some of the tabloids in Trinidad, within the last few weeks, we have been seeing some of the most scurrilous and libellous attacks on people in the Government of Barbados. I believe that these Trinidad papers have a death wish, because whenever you start suing them for libel you find that they don't have any money and will have to shut up and go home — and the Opposition is taking statements from the Trinidad Press to come in here and ask the Government about purchases.

As a matter of fact, I read one article yesterday about matters in Barbados, and I was wondering if it was written by a member of the Democratic Labour Party. It is a real serious situation, and yet we have got somebody who has lived in Trinidad and who knows what can happen in Trinidad, asking if it is true that the Government borrowed \$15 million from Trinidad to pay for it.

That is not the kind of question, Mr. President, I would dignify with an answer, because, as I have said before, if there are money Resolutions before this House where the Government commits itself to borrowing money in the interest of the country and in the interest of capital projects, it would be properly debated in this Chamber and in the Other Place. Other than that, I cannot deal with questions of speculation.

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.

On motion of Senator C. A. GRIFFITH, Mr. PRESIDENT left the Chair and the Senate resolved itself into Committee on the Bill, Senator J. C. W. WICKHAM in the Chair.

Clauses 1, 2 and 3 were called and passed.

On motion of Senator C. A. GRIFFITH, the Senate was resumed and the Bill reported as having passed the Committee without amendment, Mr. PRESIDENT in the Chair.

On separate motions of Senator C. A. GRIFFITH, the Bill was read a third time forthwith and passed.

THE SECURITIES EXCHANGE ACT, 1982

Order No. 3 was called — To move the Second Reading of a Bill to establish a stock market for the trading of securities in Barbados and for other consequential, supplemental or related matters.

SENATOR C. A. GRIFFITH: Mr. President, this is a Bill which would establish a stock market in Barbados for the trading of securities as is the custom in many other countries in the world.

Now this Bill was set up at the instigation of the honourable Minister of Trade who was the recipient of a draft Securities Bill prepared by a Dr. B. A. K. Rider, somebody with real credentials, B.A., LL.B., M.A., Ph.D., who came to the Government very well qualified, a Director and Executive Secretary of the British Institute of Securities Laws, so that we could make provisions for regulations for dealers in securities, investment advisers and for the protection of investors.

It should also be noted that the Securities Exchange of Barbados, whose function was to act as securities exchange, had already been incorporated under the Companies Act, Cap. 308, but this had proven to be impracticable since there would have been a situation where a Securities Exchange Company had been organised under the Companies Act both to deal in securities and to regulate the conduct of trading in securities.

The Bill is a very comprehensive Bill. It is divided into sections and I would just like to touch briefly on some of the areas that are of importance. The proposed legislation will:

Prohibit operating a stock market and trading in securities otherwise than permitted by the legislation itself.

Authorise trading in securities through the Securities Exchange by means of dealers, brokers, broker dealers, underwriters and investment advisers or investment counsel.

Define and regulate dealers, brokers, etc. These activities would be carried out by persons who are members of the Stock Exchange. Provide for members of the company, the Securities Exchange, who should comprise ex-officio members and fee paying members, called designated members and ordinary members respectively. Make provision for Governors of the Exchange to be the Minister of Trade, the Minister of Finance, the Central Bank of Barbados, the Barbados Chamber of Commerce and such organisations and professions, trades, etc.

I need not go into all areas of the Bill except to say that this is an innovation in Barbados, Mr. President, and I believe that the onus is going to be not only on the Government, but also on the private sector, including the media and people who know to educate the public about the benefits and, also, the pitfalls of securities trading.

We are fortunate in that we have the experience from other countries to move on. And while we cannot transport, lock, stock and barrel, what happens in major countries where securities exchanges are in operation, like the U.S., Canada, London and Tokyo, there are things that we can benefit from by looking closely at some of these countries.

I think the public education aspect is particularly important. It is important for the media in Barbados to appreciate the whole question of financial reporting, so that they, themselves, can translate it in a very simple method for even the most unformed people in Barbados to understand.

It is important, in this kind of operation, that people must know about investing wisely, they must know about portfolio management, and, of course, this kind of operation also provides benefits for the small man – the proverbial small man that we hear so much about and on whose back many people ride to political success or obscurity.

But there are significant opportunities if people are properly educated about securities exchange. They can be considerable benefits even for everybody at every level of the society. For instance, the lower income people, who may not have the disposable income to invest considerably as individuals in any company, may be able to do so through the instrumentality of a mutual fund operation, as is done in some big countries. That is a positive benefit that can be transported from a major country where you have mutual fund operations in the stock markets.

The other opportunity that it provides for companies that go public is that instead of having the proverbial longservice gift, when people endure a company's life for twenty years, of a gold watch, or when they retire, an arm chair, as long as the company is a public company, it may be better to provide shares in the company for those people who retire than giving a watch or gold chain, or whatever kind of gift they have.

It also provides the opportunity for people who invest in the stock market to share in the growth of companies that go public.

We have been hearing talk again— this is the only criticism I have heard from the Opposition benches in the Other Place – that Barbados is too small to have a stock market established. That kind of criticism well, nobody should answer that.

The thing is that we have large Barbadian communities living abroad who are interested in investment in Barbados; not only in real estate, but who would like to find some means of putting money in Barbados. This is one way where they can invest in public companies – by

buying up shares, and, of course, it is a source of foreign exchange.

The other thing is that it provides the opportunity for private companies to go public and have their shares marketed on the exchange. What it would mean is that these companies that go public would be spreading the existing narrow base of share ownership and profit participation.

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

The question was put to the Senate and agreed to.

On the motion of Senator C. A. GRIFFITH, 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.

SENATOR C. D. SEALE: Mr. Chairman, Sir, I beg to move that this Bill be read in parts.

The question was put to the Senate and agreed to.

Clauses 1 to 11 inclusive were called and passed.

Parts 1 to 4 inclusive were called and passed.

On motion of Senator C. A. GRIFFITH, the Senate was resumed, and the Bill was reported as having passed the Committee without amendment, Mr. PRESIDENT in the Chair.

On separate motions of Senator C. A. GRIFFITH, the Bill was read a third time forthwith and passed.

SHIPPING (INCENTIVES) ACT, 1982

Order No. 4 was called — To move the Second Reading of a Bill to make provision for the granting of tax and duty incentives to certain shipping companies.

Mr. PRESIDENT: Senator Trotman.

SENATOR THE HON. O'B. TROTMAN: Mr. President, Sir, the history of the granting of incentives to companies to operate vessels in Barbados is fairly well known as far as manufacturing is concerned. Because of various incentives legislation, Sir, we have several manufacturing companies in Barbados which provide thousands of jobs for Barbadians in the various industrial estates.

As part of the Government's new effort to create jobs in the incentive business, the Government has passed

the Off-shore Banking Act, the International Companies Act, some consideration is given to insurance, and the Bill before us has to do with incentives to shipping companies.

It is considered, Sir, that the granting of Income Tax and Customs exemptions in certain areas to shipping companies to operate out of Barbados, would create some job opportunities for Barbadians as well as provide some measure of revenue for the Government to run the services of this country.

The two pillars of the legislation are found in Section 5, which provides for the waiver of Income Tax and Corporation Tax from the various shipping companies to whom concessions are granted, and Section 7, which provides for the importation of ships and other articles to be used in equipping ships, to be used by companies to whom concessions are granted, free of Customs Duty. It is considered, Sir, that concessions should be granted for periods of ten years from the issuing of a licence.

The rest of the Act is regulatory and they go into questions as to how books should be kept and the provision of the making of regulations under the Act, Sir.

We have had debates at other times on the question of the benefits of offshore business and, really, this is only another area of offshore business which the present Government is trying to bring to Barbados in an effort to create job opportunities for Barbadians.

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

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

SENATOR W. W. HALL: Sir, as the leader said, this Bill provides for the granting of incentives, that is, tax and duty, for certain shipping companies. Whereas I shall not take issue with him here, I would like to use this opportunity to let him and the Government know about the plight of Barbadian seamen in this country.

Now I am not going to ask any questions because, during the debate in the Other Place, when the Member for St. Michael South asked questions, they retorted in a rather jocular fashion, Sir. They wanted to laugh and make jokes at the fact that you ask questions.

That is in contrast with what happens in this Honourable Chamber, Sir. They don't make jokes when you ask questions here. What they do, they try to bite. But we know their bark is much greater than their bite and, therefore, we cool out with the idea that what you miss on the swings you get on the round-a-bout.

And, Sir, they laughed down there when the Member for St. Michael South asked a few questions; but in the passage of time, we will laugh at their calamities and mock when their fear comes. I am sure of that.

The plight of the Barbadian seamen, Sir, I, like most of the honourable senators, would understand the plight of the Barbadian seamen. They know, because most of them would have sprung from backgrounds where there would have been one or two seamen toiling in far off countries and sending back much needed cash to his family in Barbados.

There was a time, Sir, when districts were known for their seamen. I refer to Martindale's Road, Brittons Hill and Beckles Land, areas like that, Sir, Bay Land, now Bayville. These men ploughed the seas in search of not particularly fame, but, necessarily, fortune.

What used to happen in those days was that a man would go to sea for about nine months, never exceeding the year, but definitely for about nine months, and then he would spend about three months at home.

Sir, I have a lot of family, and the goodly Senator over here would know of seamen locally and seamen internationally, and as a result of that Sir, I think that I know the situation.

In those old days, Sir, when you come home for what could be termed three months, having spent nine months overseas, you used to get four leave days in every month, so that if you had nine months overseas you used to get 36 days leave at the end of which you would report to the Harbour Master or the appropriate person twice in the first week and then every other week.

I say this to let you know that in those three months when you would be home, you would get \$100 every fortnight, so in those three months you would get about \$600 while you are ashore. That is not a fortune, but it does keep the wolf away from the door.

What is happening now is this, that no longer do you get nine months out there — far less a year; it is more like six months — and when you come home, it is usually in the region of nine months to a year. That is a fact, Sir, no telephone calls as the leader would lead you to believe. In those times, if you happened to get a job while you were ashore and it did not allow you to report, you were fined \$10, and obviously you slid down the line and your chances of getting another ship disappeared gradually.

The problem now is that no longer can you get that money when you are at home, because it is no longer available. If a man is at home for nine months, it is a pay as you earn situation — even in paying union dues, and you do not get money any more. So it is a

serious thing when we have seamen ashore and not getting jobs.

I can say, Sir, without fear of contradiction, that most employers from the time they hear you are a seaman, they reckon that you will take up your bundle and go when the next ship comes. Obviously they want continuous employment, and you find that they are very hard-push to get a job.

What compounds the issue is the fact that the ships get fewer and fewer every passing month. You would know, Sir, in the good old days when you had these boats like the Nelson — I remember them as a baby, Sir, but I know you would remember them in your youthful days — and then there were the Harrison liners that everybody will remember, but the truth of the matter is that they are no longer around.

You do not see Harrison liners plying these waters any more. There are only two Booths boats coming into these waters, and then there are about three Booth Star lines plying between Barbados and Halifax and New York. Those are ships that ply between the Caribbean and New Zealand and Australia, obviously with meat in their hatches — they are not like the boats that are containerised — so we are getting a decreasing number of boats coming down here where Barbadian seamen can find work.

There are a few other ships and a few gas tankers. The fruit ships go as far as Panama and ply the Spanish Main. In addition to that, there are two other ships running the coast of Los Angeles.

The basic problem is this: there are 349 jobs and there are about 1,000 men on the register. That is a fact, Sir, and you know seamen, obviously, see it very hard. I feel it is time that these seamen be given a chance, because they have proven their worth. There is no doubt about that.

There have been cases where, as you know, the flag of convenience is flown, where you will probably find they will register a ship in Panama with Panamanian crews, which is obviously cheaper, instead of employing Barbadians. If that same ship was registered in England, it would have to employ Englishmen or West Indians. The result of this is utter chaos.

I think this is a national issue again, and Government has got to pay special attention to this. There is no doubt in my mind. In Norway, there was a certain stigma attached to going to sea until the Government made a career out of it and young cadets were allowed to go into a navy which was prestigious. Now you find even royalty going to sea.

Next to our cricketers our seamen are ambassadors for this country. No politician in the history of the West Indies has done as much in foreign lands, and those seamen have been great ambassadors. We have heard about them, they have sailed the seven seas, and they have done it very well, and therefore I think that we must be in a position to help them. They made a lot of friends, the problem is that we have got to do something about it.

It is all right for the Government benches in the Other Place to laugh when you ask certain questions, and it is all right for Government members up here to rant and rave, and you cannot ask them anything, but if you do not want to answer questions, you should opt out. You should answer questions with decorum where people would understand that you are a dignified politician, and not in a riff-raff manner. I do not understand that, Sir.

I feel that on some of the visits that the Prime Minister and his Ministers make to Canada and the United States of America they should talk to some of the agents up there, telling them that we have the best seamen in the world down here, and they are idle — just like some of the teachers that are walking about here with nothing to do when there are temporary jobs in Nigeria — and I feel that we have to do something on behalf of the seamen. We can fly them out to the States, it is done every month. As a matter of fact, you fly over 14 000 miles to Melbourne, Australia, so there is no problem.

Sir, some of the most prominent citizens in this country have begun adulthood on these very ships. They have seen life from that angle. It may surprise you to know that senators that have sat in this Chamber have been good seamen for Barbados. In the Other Place, people sitting down on the front bench have been seamen, and I view with great consternation that when matters like this come on the floor of each House that nothing is heard about these unfortunate people.

There are people sitting in respectable positions, in advantageous positions, who know very well, because they were there, and they know how to get it done. There are people in both Houses, Sir. We have had very few respectable people, very high in the Chamber of Commerce and all over the place, and they have been to sea.

Therefore, what I would like to see happening is this: I would like to see the Government do something for the seamen of Barbados whose jobs just seem to dwindle away, Sir, every year, there are less and less jobs.

They try to find work on shore. Some of them have tried to go into industry. Obviously those who have the technical background, those who worked with engines, donkey men and greasers, have tried, with some limited success, to make their mark with industry. Others, who

have been cooking for years, have tried to get into the hotel industry.

But, as I said before, Sir, the problem is that as soon as you hear that a man is a seaman, you tend to think that the urge for the sea is too great and he will never be anything but restless on land, and, therefore, people tend to hire other people.

That is why I feel that some dialogue should take place. Someone should make it their business to look at the plight of seamen and report what is happening. As I said before — I do not want to mention names here; if I mention the names of people who have been seamen, it would startle a few — there are people who know the root cause of the problem, and who may well use their vast experience and their know-how to help alleviate the plight of seamen in Barbados.

That is the comment that I would like to make, Sir, bearing in mind that these very seamen have made a significant contribution to the economy of this country.

SENATOR THE HON. O'B. TROTMAN: Mr. President, Sir, I notice that while the last senator was speaking, he was also checking his debates from the Other Place, and he made the point over and over that somebody in the Other Place tried to speak on the plight of seamen during the debate on this Bill in the Other Place.

Now, the member was having a problem, because the debate on this Bill in the Other Place is to be found between pages 1926 to 1936 of Hansard.

First of all, Sir, no Member from St. Michael South spoke on the Bill. I really do not know how he got that in his head. Secondly, Sir, only two members from his party spoke — and none of them spoke of the plight of the seamen. One of them spoke on the Barbados economy, how badly the Central Bank is managed, how they mismanage off-shore banking, Barbados' foreign debt, the foreign reserves, the Euro-dollars and all kinds of things. The other one spoke about flags of convenience.

I do not know how he start off with this non-fact and makes it a point over and over again about people laughing when the plight of seamen was discussed in the Other Place. Somewhere along the line, Sir, he has badly misinformed himself.

Fewer ships are coming to Barbados, Sir, because there is a revolution in shipping — the container has hit us. The old fashioned methods have gone out and we have to look for new shipping methods.

Sir, he seems to ridicule the present Government for the loss of jobs in shipping. He seems to have

forgotten, Sir, that the harbour, which is still a modern harbour, and which can manage some of the container business, was the baby of the present Administration at an earlier time. Sir Grantley Adams actually came from Trinidad and opened the harbour in Bridgetown. He has just come into politics and he is learning late.

(Asides).

SENATOR THE HON. O'B. TROTMAN: It is not a non point. The point is that the party understood the change in technology and the party understood that you had to have a modern harbour to handle containers. The party understood this.

The kind of ships that used to come to Barbados will not come again. We have to get new business. But as I understand it, the harbour is doing quite well. There are doing as best they could. I understand that we might even have to consider further extensions to the Harbour.

I know that another country in the Caribbean has built an entirely new harbour for the specific purpose for handling container cargo, and we would have to look at that.

But his party has done nothing about it, except to encourage people not to use the shallow draft at the harbour, which would ease the congestion in the other Harbour. That is their contribution to shipping. They are in no position to talk about shipping and jobs being lost in the harbour, because their contribution is to prevent the growth in the harbour.

It is a pity, Sir, that he did not find time to speak on the Bill at all, because he also talked about flags of convenience in a passing way. The question of flags of convenience has nothing to do with incentives to shipping. This is a national business. This has nothing to do with flags of convenience. This has nothing to do with the registering of ships. He must get his Bills correct. They are constantly telephoning him and giving him wrong information. The Bill on which he should have talked about flags of convenience was passed a couple of weeks ago. He has it wrong again. He is really labouring us this afternoon with his misunderstanding of the whole thing, Sir.

SENATOR W. W. HALL: On a point of order, Sir.

Mr. PRESIDENT: What is the point of order?

SENATOR W. W. HALL: I am saying that the honourable leader is imputing that I said that he said that the flag of convenience has no bearing to the Bill. The flag of convenience must have a bearing if it reduces the amount of Barbadians that are eligible for work, and therefore it

compounds the issue. If he does not understand that, Sir, it is not my fault.

SENATOR THE HON. O'B. TROTMAN: Mr. President, I must really rise to respond to what is really a misunderstanding being developed properly.

He argued that Panama is one of the countries that has flags of convenience; and, therefore, the recruiting of seamen in Panama, because they have a port of convenience for licensing ships, would reduce the ships that come here.

Well, then, the Shipping Bill, which was passed earlier, which allows Barbados to become an International Port of Registry for ships, would according to his arguments, increase jobs — not reduce them.

If there are more jobs in Panama because they have an international registry, the earlier Bill which was passed would do the same thing for Barbados. He is getting it wrong. He just does not understand what he is saying. I cannot put it any clearer than that.

If a port of International Registry creates jobs in Panama and takes them from Barbados, and we do the same thing in Barbados, it cannot further reduce the jobs in Barbados. That is arguing the two sides of the coin.

The whole point is that flags of convenience have nothing to do with the Bill that is under consideration. It is totally irrelevant. I admire your generosity, but it is totally irrelevant, Sir.

Mr. PRESIDENT: All right. We have had enough of this.

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

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

Clauses 1 to 16 inclusive were called and passed.

On motion of Senator the Hon. O'B. TROTMAN, the Senate was resumed and the Bill was reported as having passed the Committee without amendment, Mr. PRESIDENT in the Chair.

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

STATUTORY BOARDS (MISCELLANEOUS PROVISIONS) ACT, 1982

Order No. 6 was called – To move the Second Reading of a Bill to amend certain enactments relating to statutory boards.

SENATOR THE HON. O'B. TROTMAN: Mr. President on the break up of Local Government in Barbados by the Democratic Labour Party, certain Statutory Boards were created at a national level to take up the work which was being done efficiently by the Local Government Councils. Most of the people who worked in the Local Government Councils at the time were pensioned under the Local Government Officers (Pensions) Act and were disciplined and appointed by the Government Service Commission.

It became necessary then to create what became known as the Statutory Boards Service Commission in order to continue the work of the Local Government Service Commission. Between that time and now, Sir, all but two of the Statutory Boards which were governed by the Statutory Boards Service Commission have gone their own way, so to speak, making their own arrangements for the recruitment, discipline and dismissal of staff, and we are now left with a situation where the Statutory Boards Service Commission exists only for the purpose of servicing the National Assistance Board and the Child Care Board.

In what appears to be a complicated Bill, but in fact it is not really complicated, the legislation before us seeks to remove these two Boards from the authority of the Statutory Boards Service Commission, but in doing that, Sir, precaution has been taken to safeguard the employment and the pensionability of the persons working in the two Boards at present, and that is generally what the Bill is about.

So the Statutory Boards Service Commission, the present life of which expires, I think, sometime this month, if this Bill is passed, will not be reappointed, because the National Assistance Board, from now on, as well as the Child Care Board will be appointing, disciplining and dismissing their own staff.

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

SENATOR Mrs. G. G. READER: Mr. President, on rising to support this Bill, I want to say that, having been on the Child Care Board for many years, we have found that working as we do with children and having to have staff who understand and relate well to children, it is very difficult when you have got to recommend people for appointment to somebody else who does not know really just what is going on within the Board.

It is terribly important that those in positions of responsibility with the Board have a good working knowledge of what they are doing and have a good rapport with the children and the parents with whom they come into contact.

These people have got to be people that are willing to work very hard and who are able to understand children, the problems of the children and the objective of the Board, which is to make for a better, happier, adjusted children who are more able to cope in the community.

This is not always easy, particularly when you have inherited staff who have been given the job in the days when people thought that any woman was able to look after children. The Board has always found it difficult to explain thoroughly why one person should have the appointment over somebody else because of their ability to handle children well and, also, to have proper rapport with the parents of those children.

I feel that allowing the Board to do its own hiring and firing, as the case may be – it is not very often firing, but particularly hiring – for people who have these very tricky jobs to fulfill and very demanding jobs to fulfill.

I do not think that many people realise how demanding it is to look after small children for eight hours, at least, every day. It is a job that requires a terrific amount of stamina and a terrific amount of love and understanding.

I do feel that those workers who have shown themselves to be really good at the job should have preference to those who do it as a means of making a living and who are working because of the money they get at the end of the week rather than liking the job they are doing. We are not trying to do away with the people who have been there for a long time, but we are trying to fit the right people into the right positions so that we can get a really excellent service.

The Child Care Board has worked well over the years to upgrade the service of the Board and the children that come under its care. All of the staff are now trained in child care, child development and the early recognition of problems to do with learning disabilities, physical disabilities and various handicaps.

I think it is terribly important that Boards like this should be given the opportunity to hire their own staff and I think that this Bill would be greatly appreciated by those who have anything to do with this Board.

Thank you, Mr. President.

Mr. PRESIDENT: Senator Howell.

SENATOR St.C. E. HOWELL: Mr. President, I, for one, would rise in support of this Bill. I well recall, some two years ago, having to deliver a paper – in which Senator Simmons also took part – and I thought then, in delivering that paper, that the time had come when these two Boards ought to be given the same privilege in hiring and firing staff. Not so much, as the last speaker said, in the firing, but certainly because of experience in trying to employ staff, sometimes of very simple nature.

There was one case in particular with one of these Boards, Sir, where an employee, having left the island and returned, wanted to start working with the Board – a van driver, Sir. Those people had already known him and knew that he was very competent to do the job, seeing that he had done it for a number of years, but the overseers of these two Boards thought that the job ought to be advertised, as the Law requires, and that a number of other applications would be set up. The result was a delay in some three months before it was okayed, and then he was nowhere to be found – and the process had to be gone on all over again. This was really a complete waste of time.

Not only that, Sir, but in the Child Care Board and the National Assistance Board, particularly the Child Care Board, there is today, Sir, a certain degree, a considerably high degree, of expertise, and the people who are faced with the everyday tasks of these Boards are really in a position to know best what should be done. And it can be very frustrating to find that a proper applicant is at hand, and, because of red tape, sometimes with all the best intentions, the whole idea of running an efficient service seems to be frustrated.

We have, certainly in the Child Care Act, as far as my memory serves me, some safeguards as regards staff who have been transferred in some form or the other and, by and large, as far as my memory serves me, their services have always been protected.

But this is timely, and I feel very proud about it, because I, myself, had called for the abolition of that body, with no disrespect to the body, some two years ago. I did compare at the time, Sir, the Barbados National Bank and the Insurance Corporation of Barbados when one observed that these two bodies have very wide powers, almost completely autonomous, hiring and firing people of every level, at one side of the spectrum; at the other end, not even a van driver could be hired unless it had to go up. It was a complete waste of time.

I think that this is timely and employees in these two Boards really have nothing to fear. I think there is already legislation there to cover a lot of them.

Thank you, Sir.

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

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

Clauses 1 and 2 inclusive were called and passed.

The Schedule was called and passed.

On the motion of Senator the Hon. O'B. TROTMAN, the Senate was resumed and the Bill was reported as having passed the Committee without amendment, Mr. PRESIDENT in the Chair.

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

RESOLUTION TO APPROVE LEASE OF PARCEL OF LAND AT WILDEY TO MR. TEE'S DONUTS

Order No. 9 was called – To move the passing of the Resolution to approve the lease of a parcel of land at Wildey in the parish of St. Michael to Mr. Tee's Donuts (Barbados) Limited, for the purpose of erecting a doughnut shop, an ice-cream supermarket and for related matters.

Mr. PRESIDENT: Senator Griffith.

SENATOR C. A. GRIFFITH: Thank you, Mr. President.

Sir, the matter before the Chamber is simply a resolution to approve the lease of land at Wildey, situated east of the National Petroleum Corporation. It is the intention of the Government to lease this property to Mr. Tee's Donuts (Barbados) Limited for the purpose of erecting a doughnut shop and other buildings.

The area in question is about 900 square metres. The proprietors of Mr. Tee's Doughnut Shop intends to site a doughnut shop with a bakery and storage, a cold room for storing flour and shortening, an ice-cream supermarket, a section to sell alcoholic and non-alcoholic drinks on a whole-sale basis, a section to sell bread, and to set up the registered offices.

Sir, the Commissioner of Valuation has indicated that the rental value of the land is something like \$2,900. It has met with the approval of the Chief Town Planner,

and the Government has decided that we should be asking the company in question to pay \$3 000 a year for the property for a period of fifteen years, and one of the conditions is that there would be a review every three years.

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

Mr. PRESIDENT: It is proposed that the Senate concur in this Resolution. Senator Rouse.

SENATOR K. A. ROUSE: While I rise to support this Resolution, I do hope that Mr. Tee will not fall into the bad habits like most of these little shops around Bridgetown and other places.

Sir, I think people handling food must be a lot more careful when they handle food for people to eat, since at this time there is much concern about the increase of leptospirosis.

Take for instance, Sir, persons selling bread along the streets. You can easily find these trays laying outside the cart. Dogs will go to these carts after the bread is taken from them. After they lay there for a period of time, rats do visit these areas — and roaches.

In most of these places, Sir, you can find that they do not have proper facilities, and the handling of money while selling food is not in keeping with proper health in this country.

I do believe, Sir, that the Health Inspectors should make more frequent visits to these places, because we do know we have got to make sure that the people who are selling foods do have these health certificates.

Take for instance, Sir, at times you see people along the street selling snow cones. Most of these people do not visit a doctor to get a health certificate, they do not wear proper clothing — and they are handling food.

I believe, Sir, that the proper authority should attempt to see that all the health requirements are put in order and that these people operate in the best interest of persons buying food.

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

REGISTRATION OFFICE (AMENDMENT) ACT, 1982.

Order No. 7 was called — To move the Second Reading of a Bill to amend the Registration Office Act, Cap.33.

SENATOR THE HON. O'B TROTMAN: Mr. President, Sir, the Registrar and, by implication, the

Deputy Registrar are authorized to carry out the duties of Notaries Public in accordance with the Registration Act, Cap.33. Section 6 gives them the authority to carry out those duties and Section 7 restricts other people from taking those duties into their hands.

It has been discovered, Sir, that, because of the volume of work, the Registrar alone cannot properly carry out the duties of Notary Public, and it is now considered desirable that other officers in his department be authorized by law to carry out those functions.

The legislation therefore seeks to authorize Assistant Registrars to carry out the duties of notaries public in order to facilitate the work which has to be done in the Registration Office in Coleridge Street.

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

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

SENATOR D. A. C. SIMMONS: Mr. President, Sir, I support this amendment to the Registration Office Act, because some years ago I did in fact make a plea which is now represented in legislation today, that the numbers of notaries public be increased. There were then two — the Registrar and the Deputy.

But since there has been an extension of the establishment of the Registry and the increase of the responsibility given to two non-legally qualified persons in that department

(Asides)

SENATOR D. A. C. SIMMONS: Sir, they tell me I have to declare an interest. (Laughter) My interest is

Mr. PRESIDENT: I don't think that was intended. I don't think that your particular interest was the one envisaged when they said that you should declare an interest.

SENATOR D. SIMMONS: My interest is marginal, Sir.

Mr. PRESIDENT: Yes, that is what I mean. (Laughter)

SENATOR D. A. C. SIMMONS: Some of the problems of the Registration Office have been eased as a result of having two other non-legally qualified persons doing some of these functions. What I would like to see, Sir, is the appointment of Commissioners of Oaths among senior established and integritous members of the legal profession. I think that would also assist in easing some of the problems which the public have, both locally and in respect

of documents which come from overseas and have to be done before Commissioners of Oaths or Notaries Public.

I regret that Senator Trotman has not taken the opportunity, if indeed the information is currently within the province of the Government, to let us know what is going to happen about the new High Court building, and, as a consequence, a new Registration Department, or an extension of the present facilities.

I know that times are hard and I would not expect the new High Court this year, or probably next year, but I also know that plans were drawn. When I used to be in the Other Place, I saw copies of plans, and I think it is about time that we know, because it is going to cause a certain degree of dislocation if the proposed site of the High Court is at the bottom of James Street.

It is important, Sir, because this Government has passed a mass of legislation, the Government continues to place additional responsibilities on the Registrar, and the circumstances under which the employees of the Registration Office have to work are really getting close to being inhuman, Sir.

There is no air conditioning in the Registration Office at all, except, perhaps, in the Registrar's Office. I am not even sure if the Deputy downstairs has, but the general staff have none, people are falling over everybody else, there are desks in the way, and only recently I took a visitor to the island through the Registration Department and he was horrified, because he said it gave the appearance of bedlam, and that is what it is. It is really shocking that the office which houses all the important documents relating to private individuals and Government departments should be in such a rundown state.

We would not wish that what happened in St. Kitts would ever happen in Barbados, that is, that there would be a fire, but it is a beautiful site for a fire right now. It would burn beautifully, Sir.

I really think that the time has come when the Government should give it some attention. They have made efforts with the air conditioning of three of the courts in the Supreme Court, they have tried to upgrade some of the facilities in some of the Magistrates' Courts, but I believe that yesterday the Chief Justice made a call for some attention to be given to the buildings in Coleridge Street, and I want to support the Chief Justice in that plea.

I have been in practice in Barbados for 12 years, and there is a little anteroom to the Supreme Court No. 1 which I was told when I came and I did use for some years as a robing room. It is in the most shocking state. I would not wish to carry anybody in there, far less an overseas visitor.

There is a long table, there are now no chairs around the table, and it is shocking to see counsel sitting on the table, but that is what we have to do sometimes. There is a cabinet there with a lot of old books full of dust. Nobody would venture even to look at these books to see if they are of any historical or other legal value for fear that you might contract some disease from the dust.

I feel that if we are to have any pride in ourselves as a people, and seeing how many lawyers there are in the Government who are aware, not who ought to be aware, who are aware of those conditions, I would have thought that by now something would have been done to enhance the facilities in the Registration Office, and, in particular, next to the Chief Justice's Chambers.

It must be a very embarrassing thing for the Chief Justice to have that room next to his Chambers. I am sure he cannot bring dignitaries through there. If I were he, I would try and bring them through the side door into his Chambers; but not through there — it is really a disgrace.

Now, Sir, the Registration Office itself — and this is a purely personal view and not at all prompted by any discussion with my wife. But you have a Registrar and two Deputies who are legally trained. There is room for another to be legally trained. There is room in terms of work, I am not sure if you have the physical space to accommodate another legally trained Deputy Registrar, and I hope that the Minister responsible for the Registration Department will give some thought to a re-organisation of that Department.

Perhaps this will have to await the moving out of some of the present places in the vicinity, which are occupied for other purposes, but one would prefer to see a clear demarcation of function, so that you know you can go to a particular section — and it is clearly marked — that deals with the Supreme Court section, and only a certain staff deals with that.

Then, you can have another staff which deals with land transfers, Property Transfer Tax, you have the non-contentious registration matters, for example, the various registers which have to be kept — the Condominium Act, a number of things which we passed, even one today I believe dealing with the shipping or something — some of these non-contentious matters should be kept separate and apart.

But at the moment it seems that everybody is over everybody else.

Downstairs you try to get certificates, and it really does not give the appearance of being an office of the consequence that I believe it was intended to be. Right at

the bottom of the steps to the District "A" Civil Court, you just find people milling around making noise. Sometimes they do not get any attention because there are probably two people there trying to attend to thirty, and operating from a cramped space.

It is one Government department which collects, perhaps next to the Collector of Taxes and the Customs Department, the Registration Department is a big collector of revenue for the country, and I think that the Government deserves to treat it with greater interest and seriousness than is presently the case, and the Government must give consideration to the health, welfare and the comfort of the people who work in the Registration Department.

The final matter, Sir. Even though some months ago I did ask about the feasibility of having a stamp depot in the area of the Registration Office, to the best of my knowledge, up to today nothing has been done about that. It is a great burden and inconvenience especially on barristers, but more particularly I think on the conveyancers who have to stamp documents, to be running the staff over to the General Post Office here to get stamps.

It would be easier if you could get your stamps when you went to buy your writs. You now have to buy the writs in the Registry, and it would be easier if when you went to buy your writs you could buy your stamps that had to be attached to them. But you have to send your messenger from your Chambers to the Registry to buy the writ and then over here to get the stamps, put them on and then carry them back.

It is a waste of man hours and time, and I think it could be simplified, in the interest of everybody, if the Government would establish a small depot in the vicinity of the Registration Department so that there could be a more easy means of purchasing stamps by the profession.

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

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

Clauses 1 to 3 inclusive were called and passed.

SENATOR THE HON. O.B. TROTMAN: Mr. Chairman, I beg to move that the Senate be now resumed 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. O'B. TROTMAN, the Bill was read a third time and passed.

FISCAL INCENTIVES (AMENDMENT) ACT, 1982

Order No. 8 was called — To move the Second Reading of a Bill to amend the Fiscal Incentives Act, Cap. 71A.

SENATOR C. A. GRIFFITH: Mr. President, the purpose of this Bill is to amend the First Schedule of the Fiscal Incentives Act, Cap. 71A, on Appendix II to Article 13 of the Agreement on the harmonisation of the fiscal incentives industry, to confer incentive status on galvanised nails.

Sir, at the 17th Meeting of the Caricom Council of Ministers held in Guyana in 1980, the Council agreed to a recommendation from the Government of Jamaica to amend Appendix II to Article 13 of the Agreement so as to permit member Governments to grant incentive status to manufacturers of galvanised nails.

Article 13 of the Agreement prohibits the granting of incentive status to certain products, which are specified in Appendix II of the Agreement. The Appendix, itself, being established by the said Article. Since Appendix II includes nails as one of those products, then the requirement is for Article 13 to be amended to include the words "other than galvanised nails" after the word "nails" appearing in Appendix II.

In accordance with Article 24 of the said Agreement on the harmonisation of fiscal incentives to industry, approval of this amendment would be subject to ratification by the contracting parties, that is, the member Governments of Caricom.

The implementation of the recommendation would also necessitate an amendment to the First Schedule of the Fiscal Act by inserting the words "other than galvanised nails" after the word "nails" appearing in that Schedule.

The Ministry of Finance is in agreement with the proposed amendment since Barbados manufactures galvanised nails and would derive some benefits. The Minister of Trade and the Government of Barbados consider that the amendment will redound to the benefit of the Barbados industry by affording Customs and tax concessions to the local manufacturers of these nails. It is therefore the intention of this Government to make the amendment to the Fiscal Incentives Act.

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

The question was put to the Senate and agreed to.

On separate motions of Senator C. A. GRIFFITH, the Senate resolved itself into Committee on the Bill, Senator J. C. W. WICKHAM in the Chair.

Clauses 1 to 3 inclusive were called and passed.

SENATOR C. A. GRIFFITH: 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 C. A. GRIFFITH, the Bill was read a third time and passed.

THE BANKING (AMENDMENT) ACT, 1982

Order No. 10 was called — To move the Second Reading of a Bill to amend the Banking Act, Cap. 322.

SENATOR THE HON. O'B. TROTMAN: Mr. President, the Minister of Finance in his Budget of March 1982 raised the banking fees accordingly. The licence fee has been raised from \$25 000 to \$50 000, and the licence for each branch of a bank went from \$1 000 to \$2 500.

The Bill which we are considering seeks to give parliamentary approval to the Budgetary Proposals as announced by the Prime Minister.

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

The question was put to the Senate and agreed to.

On motion of Senator the Hon. O'B. TROTMAN, 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.

On motion of Senator the Hon. O'B. TROTMAN, the Senate was resumed and the Bill was reported as having passed the Committee without amendment, Mr. PRESIDENT in the Chair.

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

THE PROFESSION, TRADE AND BUSINESS REGISTRATION (AMENDMENT) ACT, 1982.

Order No. 11 was called — To move the Second Reading of a Bill to amend the Profession, Trade and Business Registration Act, Cap. 373.

SENATOR THE HON. O'B. TROTMAN: Mr. President, like the Bill before, this one seeks to give parliamentary approval to the Budgetary Proposals as far as registration of professions is concerned. Specialist doctors registration was increased, druggists' registration was increased and most other registration fees were increased. This was the Budget of 1982, and, since we are all well acquainted, I beg to move that this Bill be read a second time.

The question was put to the Senate and agreed to.

On motion of Senator the Hon. O'B. TROTMAN, 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 5 inclusive were called and passed.

On motion of Senator the Hon. O'B. TROTMAN, the Senate was resumed and the Bill was reported as having passed the Committee without amendment, Mr. PRESIDENT in the Chair.

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

ADJOURNMENT

SENATOR THE HON. O'B. TROTMAN: Mr. President, I beg to move that the Senate do now adjourn sine die.

The question was put to the Senate and agreed to, and Mr. PRESIDENT adjourned the Senate accordingly. 5.00 p.m.

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