

THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1986-91

THE SENATE

Wednesday, July 8, 1987

The Senate met in the Senate Chamber, Public Buildings on Wednesday, July 8, 1987, at 11.15 a.m.

PRESENT

His Honour Senator F. L. Walcott, O.B.E.,
(President)

His Honour Senator M. deL. Jordan, (Deputy
President)

Senator the Hon. L. V. H. Lewis, (Minister of
State, for the Civil Service)

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

Senator F. G. Smith, Q.C.

Senator N. W. Boxill

Senator D. A. Comissiong

Senator A. J. N. Phillips

Senator T. A. Prescod

Senator B. A. Miller

Senator L. R. Tull, Q.C.

Senator the Rev. Canon I. McK. Jones

Senator L. A. Ward, G.C.M.

Senator C. A. Blackman, Q.C.

Senator P. Y. Forde

Senator J. S. Goddard

Senator Dr. L. L. Shorey.

Prayers were led by Rev. Dr. Lionel Crawford.

Mr. PRESIDENT: The Senate is in session.

PRESENTATION OF PAPERS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I wish to lay the following documents:

The Customs Tariff (Amendment) (No. 3) Order,
1987.

The National Insurance and Social Security (Collection of Contributions) (Amendment) Regulations, 1987.

The National Insurance and Social Security (Self-Employed Persons) (Amendment) Regulations, 1987.

Report and Financial Statements of the Public Utilities Board for the year ended 31st December, 1986.

The 27th Annual Report and Financial Statements of the Board of Tourism for the year 1985-1986.

The 8th Annual Report and Audited Financial Statements of the Barbados Port Authority for the year ended December, 1986.

The Betting and Gaming Duties Order, 1987.

The Transport Levy Order, 1987.

The Franchises (Registration and Control) Order, 1987.

Guarantees granted under the Exempt Insurance Act, Cap. 308A, section 32 to the following:—

Amerisure Ltd.

Eurosire Ltd.

Caymich Insurance Co. (B'dos) Ltd.

Loyalty Insurance Co., INC.

International Casualty of Boston INC.

Juniper Medical Insurance (B'dos) Ltd.

DMC Insurance Co. Ltd.

Michigan Assurance Group Ltd.

FFH Insurance Corp.

Albatros Professional Insurance Ltd.

Controlled Risk Insurance Co. (B'dos) Ltd.

Sunrise Insurance Ltd.

Global American Assurance Co. Ltd.
 Aquatic Recreation Insurance Co. Ltd.
 Evergreen Indemnity Ltd.
 Twenty-First Century Insurance Co. Ltd.
 Mutual Indemnity (B'dos) Ltd.
 Transatlantic Insurance Co. Ltd.
 Western Insurance Co. Ltd.

The Annual Report and Audited Financial Statements of the Transport Board for the year 1984-1985.

The Annual Report and Audited Financial Statements of the Transport Board for the period 1983-1984.

The Customs Tariff (Amendment) (No. 4) Order, 1987.

The Duties, Taxes and Other Payments (Exemption) (No. 2) Order, 1987.

The Civil Establishment (Leave Passages) (Amendment) Order, 1987.

Report on the Probation Department for the years 1983 and 1984.

The Annual Report and Statement of Accounts of the Barbados National Bank for the year 1986.

MOTIONS RELATING TO THE BUSINESS OR SITTINGS OF THE SENATE AND MOVED BY A MINISTER

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I wish to move the suspension of Standing Order 45(2) to enable us to deal today with certain Bills on the Order Paper which are noted to be read a first time.

Mr. PRESIDENT: There being no objection to the notice given by the Minister, the.....

SENATOR L. R. TULL rose.

Mr. PRESIDENT: Are you serving notice of objection?

SENATOR L. R. TULL: Sir, I first want an explanation. Did I hear the Leader say that he wants to deal with all the business of which he gave notice today? I am not quite sure that that is what I heard.

SENATOR THE HON. L. V. H. LEWIS: We are referring only to the items on the Order Paper, not the others you may have had notice of today or yesterday, not the ones that were in the House yesterday.

Mr. PRESIDENT: There being no objection, leave is granted.

INTRODUCTION OF BILLS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I wish to give notice of the following Bills:

A Bill to amend the Road Traffic Act, Cap. 295.

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

A Bill to provide for the issue and payment of Treasury Bills and specified tax certificates.

A Bill to amend the Income Tax Act, Cap. 73.

A Bill to amend the Consumption Tax Act, Cap. 63.

A Bill to amend the Coroners Act, Cap. 113.

Mr. PRESIDENT: I am directing that these Bills, including the ones on the Order Paper, be now read a first time.

The question that the Bills be read a first time was put to the Senate and agreed to.
 11.25 a.m.

PUBLIC BUSINESS

MISCELLANEOUS AMENDMENTS (REPEAL) ACT, 1987

Order No. 2 was called — to move the second reading of a Bill to repeal the Miscellaneous Amendments Act, 1986.

SENATOR A. MORRISON: Mr. President, in moving the second reading of the Bill to repeal the Miscellaneous Amendments Act 1986-8, I should give a brief history of this Act.

The Miscellaneous Amendments Act 1986 was passed last year. It amended certain enactments to transfer the functions which were performed by the Registrar of the Supreme Court and the Registrar of Co-operative Societies to the Registrar, Corporate Affairs and Intellectual Properties, which was a new department being formed to look after the companies and other related duties.

On April 29, 1986, parliamentary action had been completed on the Miscellaneous Amendments Act, and arrangements were being made for the Act to be gazetted by May 1 last year. But on April 30 last year, the Government Printer was asked to withhold gazetting that Act until he got further word from the Ministry of Trade,

because at that time no one had as yet been appointed to the post of Registrar of Corporate Affairs and Intellectual Properties, and since, by the legislation, the post of Registrar of Co-operatives had been abolished. The post was, in effect, abolished from April 1, 1986, by Civil Establishment (General) (Amendment) (No. 4) Order, 1986, and in the meantime a temporary post of Registrar of Co-operatives was created until the post of Registrar of Corporate Affairs was filled and became operational under the Miscellaneous Amendments Act 1986-8.

Certain enactments were amended to transfer the functions under the Schedule of that Act, and among those enactments were the Building Society Act Cap. 377, Co-operatives Society Act, Cap. 378, the Friendly Societies Act, Cap. 379 as well as the Industrial and Provident Society Act, Cap. 380.

Then, Sir, we had a change in Administration in May 1986, and the present Minister of Trade, Industry and Commerce, but at that time Minister of Trade and Commerce, decided that he would maintain a separate Department of Co-operative Societies which, in his view, would be better able to assist in the formulation and implementation of policy on co-operatives enunciated in the Government's manifesto and in the Throne Speech which was delivered in this Chamber.

At the same time this was going on, there was a proposal under consideration as to whether the duties and functions of the proposed Department of Corporate Affairs were more appropriately applicable to the office of the Registrar of the Supreme Court, and whether steps should be taken to integrate it within the department and the Legal Service generally.

The Cabinet agreed at a meeting on February 12, among other things, that the proposed Department of Corporate Affairs, which would take over some of the functions of the Registrar of the Supreme Court to make the workload of the Registrar more manageable, should be attached to the Ministry of Legal Affairs. So, in actual fact, the proposed Department of Corporate Affairs, which at that time was to be under the Ministry of Trade is now reverting to the Ministry of Legal Affairs.

The continuing saga went on, and the Ministry of Trade was advised that it is essential that the Miscellaneous Amendments Act 1986-8 be published in the *Official Gazette* in order that it may be bound within the Laws of 1986. But to publish the Act and bring it into operation was, obviously, undesirable, because of the Registrar of Co-operatives being retained in the Ministry of Trade and the Registrar of Corporate Affairs being with the Legal Service, and the Minister of Trade therefore recommended that the Act should be repealed before its publication.

Repealing this Act will remove the responsibility for the following enactments from under the Registrar of Corporate Affairs, the same enactments I read out before, the Building Society Act, Cap. 377, the Co-operatives Society Act Cap. 378, the Friendly Societies Act, Cap. 379 and the Industrial and Provident Society Act, Cap. 380. The administration of these Acts will remain with the Minister of Trade and Commerce. In the pursuance of these different arrangements for the running of these two departments, we had to come here to ask approval for this Act to be repealed.

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

SENATOR L. R. TULL: Mr. President, it is the privilege of a Government to arrange its departments in whatever form and fashion that it feels best, so I have no basic quarrel with the shifting of the Corporate Affairs Ministry back to the Ministry of Legal Affairs and the incorporation of the credit unions and all these departments into that Ministry. But, I believe, Sir, that there is a certain virtue in consistency, and sometimes one cannot help but be amazed at the levels of inconsistency that are being exhibited by this present Administration. After all, the Minister of the Public Service is the one who talks a lot about streamlining Government departments and trying to work out a proper rationalisation of services and personnel.

When the last Administration took a decision to set up a Department of Corporate Affairs under the Ministry of Trade with a Registrar of Corporate Affairs, it was doing this not because of some fetish for setting up departments, but because any practitioner of the law will tell you, Mr. President, that the Supreme Court Registry had become inundated with a lot of matters that made it virtually impossible for there to be proper efficiency in that department. Those of us who practise law will know that over the years the volume of work in the courts has multiplied several times. We have instances in Barbados where appeals before the Court of Appeal are pending for two, three and four years, and a lot of it has to do with the tremendous burden on the Supreme Court Registry.

In addition to that, there was the new development in legislation in relation to real estate and the plans to develop a Land Registry that would make conveyancing and the transfer of land far more easy than it used to be, removing all the difficulties and the encumbrances that militated against the proper transfer of lands in the past. We felt that there should be the setting up of a Land Registry with a Registrar of Titles and that it would be separate and apart from the Supreme Court Registry.

11.35 a.m.

Mr. President, the intention, therefore, was to set up these three departments, three registries, one for the Supreme Court that dealt purely with Supreme Court matters, one of land titles and one of corporate affairs.

In respect of corporate affairs, there has been a lot of development in this area in recent times. There has been the passing of new companies legislation, a voluminous work that has considerably transformed the management of company activities in Barbados, and there has also been a lot of work done in other areas in commercial law. More recently a committee was set up to look at bankruptcy legislation so that bankruptcy would be kept in line with other progressive developments in this area. Anyone who is faintly familiar with these kinds of developments will easily agree that to put corporate affairs, registration of land titles and Supreme Court work all under one Registrar is asking for a continuation and enlargement of the existing problems.

I know, Sir, that the Minister for the Public Service speaks very spiritedly and with a great deal of conviction of the need for rationalisation of the services, and I thought that was one of the reasons why, a year ago, this Administration set up a Ministry of the Public Service that dealt not only with personnel matters but related things, things like training. At one point I see that Central Purchasing was brought under the umbrella of that department, all in the interest of rationalisation. And I thought, too, Sir, that, by the same token that was the reasoning behind the establishment of a state enterprises section being brought under the direction of a single Minister — it used to be under the direction of the late Prime Minister — where Heywoods, the Arawak Cement Plant, the Hilton Hotel and the airlines — all of these were brought under one Government unit. Nobody complained, because it made sense to bring these agencies under one direction.

I would have thought that, having embarked on that kind of policy, the consistency would have remained. Now I see that there is a change in policy. Unfortunately, new leaders always tend to think that the only way they can put their stamp on things is to change, without a great deal of thought to what existed before, so now there has been, not a disbandment of the state enterprises sector, a diminution of the areas of responsibility of the Minister of the Public Service, so you cannot be sure from one month to the other exactly the direction the Government is heading in rationalising its services.

More specifically, Sir, if the Minister of Legal Services appears to the Government to be the best person to be having a supervisory ministerial role over the department of corporate affairs, well good for the Government. All I can say is that in most developed Commonwealth countries, Corporate Affairs falls under the Ministry of Trade. Their interests are so inextricably bound that you would have thought that at this stage

of our development we would have seen that. It has nothing really to do with the Ministry of Legal Affairs. The Supreme Court Registry should fall, naturally under the Ministry of Legal Affairs, just like the Registry of Land Titles should fall under the Ministry of Housing and Lands, and in my view the Department of Corporate Affairs should fall under the Ministry of Trade, Industry and Commerce. I am only expressing a different opinion. I am not even at this stage arguing with any vehemence that it is the right opinion, but, based on my experience as a Minister of Government for ten years and seeing how the operation was going, I would think that the Government perhaps should have taken a greater look at these considerations before coming to the decision that they came to.

SENATOR C. A. BLACKMAN: Mr. President, I want to make a small intervention in support of what Senator Tull has said. The anomaly which is supposed to be addressed by this amendment, in fact, is going to remain, in that under the Companies Act, it is the Ministry of Trade that has to give consent for a company to be incorporated as a non-profit company, so although you are moving Corporate Affairs into the Ministry of Legal Affairs, the Ministry of Trade retains the residual responsibility for company matters, which I think was the rationale for previously having put everything within the ambit of the Ministry of Trade. This legislation is really going to retain the vision of responsibility that existed heretofore, and I think that if you are going to rationalise, it is preferable to keep things within one Ministry rather than straddling two Ministries.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the views of Senator Tull and Senator Blackman are noted. I would like to clarify, however, that there is no proposal to place all these responsibilities back under the Registrar of the Supreme Court. There is still to be a separate Registrar of Titles and a separate Registrar of Corporate Affairs. Also, the decision has not yet been firmed up as to whether the Registrar of Corporate Affairs will be the responsibility of the Ministry of Legal Affairs or the Ministry of Trade and Commerce, because there are certain aspects of that department, the Companies Act, for instance, as you rightly say, which require the involvement of the Ministry of Trade.

What has been decided is that the post of Registrar of Corporate Affairs will be the responsibility of the Legal Service Commission rather than the Public Service Commission. There has been a lot of confusion about that, and it has been raised by the people in the Legal Service Commission. A firm decision has been taken that that will be a matter for the Legal Service Commission, even if the department falls under the Ministry of Trade and Commerce.

The Department of Co-operatives will get a new lease on life and will remain as part of the commerce activities of the Ministry of Trade, Industry and Commerce.

On another point, which is not necessarily related here but which was raised by Senator Tull, there has been no disbandment of the State Enterprises Unit of the Prime Minister's Office. It remains as is, and it will carry out the function that it was carrying out since 1985 when it was established.

Whereas there was an intention to have it directly responsible for those state enterprises that the Prime Minister was responsible for, the appropriate Minister will now have the responsibility. That will not reduce the effectiveness of the State Enterprises Unit in carrying out examinations and studies of the operational activities of various statutory boards and state enterprises.

11.45 a.m.

I believe that that will clarify any doubts which Senator Tull may have in his mind.

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

On the motion of Senator A. MORRISON, Mr. PRESIDENT left the Chair and the Senate resolved itself into Committee on the Bill, His Honour Senator M. deL. JORDAN in the Chair.

COMMITTEE

Clauses 1 and 2 were called and passed.

On the motion of Senator A. MORRISON, the CHAIRMAN reported the passing of one Bill in Committee, and Mr. PRESIDENT resumed the Chair and reported accordingly.

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

FIREARMS (AMENDMENT) ACT, 1987

Order No. 3 was called — To move the second reading of a Bill to amend the Firearms Act, Cap. 179.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the Firearms Act, Cap. 179 provides for issuing of licences for holders of firearms by the Commissioner of Police. Section 3 of the Act provides that subject to certain exemptions, no person shall have, use or carry a gun in this island unless and until he has in the prescribed manner obtained a licence to have, use or carry such gun.

Section 4 of the same Act provides for exemptions to permit members of the Barbados Defence Force and the Police Force, and certain other persons whose legitimate business it is to deal with firearms to carry guns. The category of persons included in Section 4 does not, however, include foreign officials or security officers accompanying visiting Heads of State or visiting Government representatives.

Under the provisions of the Diplomatic Immunities and Privileges Act, which incorporate certain Articles of the Vienna Convention, a responsibility is placed on host Governments to ensure the security of visiting persons to a state, and this Bill seeks to permit visiting foreign security officers who may accompany Heads of State or Heads of Government to carry firearms, subject to their following a procedure which permits the Commissioner of Police to receive applications through the Ministry of Foreign Affairs, and on receipt of those applications, to grant permission for persons specially identified to carry firearms again which must specially be identified.

I now propose that the Bill to amend the Firearms Act, be read a second time.

SENATOR L. R. TULL: Mr. President, I am not at all sure that the piece of legislation before us is necessary at all, because what is required when this Bill passes is that certain notice is given to the Commissioner of Police in advance of the visit of certain dignitaries to Barbados so that they get permission for their agents to carry firearms in this country. At the moment, I think that the existing situation allows just that.

The Commissioner of Police can grant licences to persons to carry firearms. There is a mistaken view in Barbados that firearms are licensed. That is not the case. Persons are licensed to carry firearms. The firearms themselves are not licensed. The existing situation, Sir, is that the Commissioner of Police can grant licences to persons to carry firearms.

What we have had is a number of people coming here, particularly people from the United States when important people like President Reagan and others come here, who think that they can come into Barbados and breach the Laws of Barbados because they are big and bad. We have had problems when they brought their firearms in and resented that they were queried about brandishing firearms around Barbados without permission. But the authority is already in the Firearms Act, Cap. 179, and all that this is doing is setting up a procedure to explain the power already given to the Commissioner of Police.

I have no quarrel with the substance of it. I believe that these people coming in here should be entitled to

carry firearms to protect their Heads of State or Heads of Government in much the same way that ours are protected. Ours are given that protection or immunity from prosecution when they go to other countries protecting our Head of State or Government, so I am not going to quarrel with that, Sir.

I want, however, to make a peripheral point. Some time ago the Commissioner of Police gave notice of an offer of amnesty to persons who handed in firearms for which they had no licence. The amnesty was quite explicit — that if people handed in their firearms to a police station over a period of time, they would not be prosecuted. My recollection is that the response to that offer of amnesty was not very good.

But those involved in law and order in Barbados are not very well aware that there is a very high incidence of gun carrying in Barbados. Barbados has a lot of guns, and the vast majority of them seem to be carried by people who have no licence to carry them, and there is also a corresponding increase in criminal activity with the use of firearms. So the offer made at the time was, in my view, a reasonable one, and my question to the Government is what steps are they taking, either by offering additional amnesty or by other amendments in this legislation, not only to allow foreign agents to carry guns in Barbados but to beef up the legislation, to reduce the number of firearms carried in Barbados illegally?

11.55 a.m.

We hear, Sir, that citizens in their homes are being subjected to a lot of gun related terrorism. I want to say that there are a lot of citizens walking the streets, a lot of citizens who are living in depressed areas of Barbados, like Greenfields, New Orleans and places like that, who are also subjected to substantial terrorism with firearms by people who purport to be acting within the law. That is causing me some concern, because in our society we tend too often to set some people above the others.

If you break into a house in Upton or Sheraton Park, or Cottage Heights where I live, there is a big song and dance about people coming in with guns and everybody is terrorised. Only three years or so ago, a few young men drove Barbados into a state of terror when they broke into a number of plantation houses and so on around the country, more particularly in St. George, brandishing weapons and what not. I remember that at that time petitions with a long list of signatures arrived at my desk — I was at the time Minister of Legal Affairs — and I was even in an interview with one of the leaders of this signature list, almost threatened! These people were quite upstanding citizens in the community who paid a lot of taxes, and they were demanding proper protection. Fortunately, these young men were caught

and dealt with by the law and things quietened down again.

But I have to stress this, it is to my certain knowledge that almost on a nightly basis people who live in depressed areas, people who are not going to hit the headlines because they do not live in the kind of districts I have just named, are being terrorised by people carrying guns, people who purport to be acting within the law. I would like to see something done about that before it gets out of hand, because I get the feeling that at some time there is going to be retaliation unless there is some restriction on that kind of activity at this time.

I do not want to talk in parables, Sir, I do not need to talk in parables. I am talking about policemen who are going around brandishing weapons and are terrorising people, and try to blanket it under the official authority.

The reports that are reaching us. Those of us who deal with people in that area know that this is reaching alarming proportions, and I believe that it is incumbent on the Government — in fact, all sensible and decent thinking people in the society — to try and call a halt to that kind of activity before it gets much too far, if it has not gone too far already.

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. L. V. H. LEWIS, Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, His Honour Senator M. deL. JORDAN in the Chair.

COMMITTEE

Clauses 1 and 2 were called and passed.

On the motion of Senator the Hon. L. V. H. LEWIS, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motions of Senator the Hon. L. V. H. LEWIS, the Bill was read a third time and passed and cited as the Firearms (Amendment) Act, 1987.

BARBADOS WATER AUTHORITY (AMENDMENT) ACT, 1987

Order No. 4 was called — To move the second reading of a Bill to amend the Barbados Water Authority Act, Cap. 274A.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the Barbados Water Authority Act under section 2 of the Act makes provision for the secondment or transfer of public officers and employees from the Public Service of Barbados to the Barbados Water Authority, and in so doing remain eligible for pension. However, a similar provision is not included in the Act with respect to those casual employees who were transferred from the former Waterworks Department and who were pensionable under the Casual Employees Pensions Act, Cap. 20.

When the staff of the Waterworks Department was assigned to the Barbados Water Authority, there were some 219 persons who had been in service prior to July 1971 and who would have been eligible for retiring benefits if they had remained in the General Service. Without the proposed amendment, these persons will be denied the opportunity to receive the retiring benefits as if they had remained in the Public Service.

The purpose of this Bill, which will amend the Barbados Water Authority Act, is to bring casual employees in line with their colleagues in other Public Service agencies who fall under the provisions of the Casual Employees Pensions Act. This is a levelling off and providing of similar opportunities as would be obtainable by other casual employees in the Public Service.

I now propose that this Bill be now read a second time.

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

On the motion of Senator the Hon. L. V. H. LEWIS, Mr. PRESIDENT left the Chair and the Senate went into a Committee on the Bill, His Honour Senator M. deL. JORDAN in the Chair.

COMMITTEE

Clause 1 was called and passed.

Clause 2 was called.

SENATOR N. W. BOXILL: The Minister who introduced this said that this will affect the casual employees. What is the position with such people as the Manager of the Water Authority and the administrative section of the Authority? I am not sure that they are included in this and I think that they should have been. Could you give me information on this?

SENATOR THE HON. L. V. H. LEWIS: The position of the officers is that their secondment, rather than transfer, to the Water Authority has not interfered with their pensionability and their pension rights.

A problem which those officers encounter, however, is that the salaries they receive during secondment are somewhat in excess to those they would have received in their substantive Public Service postings, and it will be necessary at some later date to amend the Water Authority Act to enable them to receive pensions based on their Water Authority salaries or else to provide some other compensation.

At the moment, the Water Authority, the Insurance Corporation and three or four other statutory boards have this as a problem. Work is being done to regularise that situation.

The question that Clause 2 stand part was put to the Senate and agreed to.

Clause 3 was called and passed.

On the motion of Senator the Hon. L. V. H. LEWIS, Mr. CHAIRMAN reported the passing of one Bill in Committee to Mr. PRESIDENT, and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motions of Senator the Hon. L. V. H. LEWIS, the Bill was read a third time and passed.

LIQUOR LICENCES (AMENDMENT) ACT, 1987

Order No. 5 was called — To move the second reading of a Bill to amend the Liquor Licences Act, Cap. 182.

SENATOR A. MORRISON: Mr. President, this Bill seeks to amend the Liquor Licences Act, Cap. 182 to remove a condition which was present for the renewal of a Liquor Licence under the Act when the applicant therefor is not the fee simple owner of the premises on which is located the business or trade to which the application relates.

Mr. President, this was a very thorny problem as far back as 1983. The Democratic Labour Party opposed the introduction of the legislation which required people who did not own premises and who were carrying on businesses in rented premises to produce a Land Tax Certificate showing that this tax was paid. Even though they have paid their National Insurance contributions and Income Tax, they were still not able to acquire that renewal of the Liquor Licence to which they were entitled unless they showed that the Land Tax was paid, even though they did not own the land. We took very strong objection in 1983 to that piece of legislation which created very great hardship on a lot of shopkeepers in this country.

We had the spectacle of many shopkeepers turning up at the various courts of this island and the Licencing

Authority without getting their licences renewed, sometimes because of absentee landlords or because holders of the properties on behalf of others did not pay the Land Tax. We felt it was very hard on those renting premises to be penalised because they could not produce the relevant Land Tax certificates to have their licences renewed so we made it one of our manifesto pledges to remove that penalty, and we are now carrying it one step further by amending the law to make it possible for those people who rent premises and have shops to be able to acquire their renewals once they have paid their Income Tax and National Insurance contributions. The exemption is only in relation to the production of the Land Tax Certificate.

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

SENATOR D. A. COMMISSIONG: Mr. President, the fact that this Bill is here before us today is in keeping with a promise made in the manifesto of the Democratic Labour Party that it would amend a number of pieces of legislation passed by the previous Administration. Earlier in the session we amended the Professional, Trade and Business Registration Act and there were one or two others that we did amend in keeping with the promises made in the manifesto.

I simply want to say here that I hope the promise made to amend the Severance Payments Act, to bring it back in line with what it had been before it was amended by the last Administration, would be kept very soon, because in my profession as an Attorney-at-law, I have seen too many cases of the hardships that that amendment of the Severance Payments Act has caused.
12.15 p.m.

Mr. President, you will recall that the Act was amended to allow employers to lay off their employees for a total of 13 weeks before the employee could treat the layoff as tantamount to a dismissal and claim severance payment. Prior to that the period had been a mere four weeks, so what one is finding now is, that employees who have had 16 and 17 years' service are being laid off for 13 weeks by their employers who want to dismiss them and not pay severance payment. The employers hope that during that period the employees would become so disgusted and so fed up that they would chuck in their jobs and seek alternative employment, thereby dismissing themselves and become not entitled to severance.

I am only using this opportunity on the passing of this amendment, in view of the promise to amend these pieces of legislation, to urge the Government to very very soon keep the promise made to amend the Severance Payments Act to bring it back in line and let us get back that provision that an employer is only entitled to lay an employee off for four weeks before

the employee is entitled to treat that layoff as a dismissal and claim his severance payment.

I thank you.

SENATOR Dr. L. L. SHOREY: Mr. President, let me say that I am very pleased to see the introduction of an amendment to this piece of legislation. It is one that has concerned a number of citizens for a long time, and there is one public-spirited citizen who in his columns has on more than one occasion drawn attention to the need for an amendment to this legislation, because as he pointed out in non-legal terms, it was penalising one individual for the actions of another over which the first individual could not possibly, reasonably, be expected to exercise control. I am therefore happy to support the proposed amendment and would wish to add my congratulations to the Government in introducing it.

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

On the motion of Senator A. MORRISON, Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, His Honour Senator M. deL. JORDAN in the Chair.

COMMITTEE

Clauses 1 and 2 were called and passed.

On the motion of Senator A. MORRISON, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. PRESIDENT resumed the Chair and reported accordingly.

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

IMMIGRATION (AMENDMENT) ACT, 1987

Order No. 6 was called — To move the second reading of a Bill to amend the Immigration Act, Cap. 190.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, it is proposed to amend the Immigration Act to empower the Minister responsible for Immigration to delegate certain powers which he has, under Section 28 of the Act, to a public officer in the Ministry responsible for Immigration. The Attorney General has advised that a delegation to the Permanent Secretary either in the Ministry of Defence and Security or elsewhere cannot be carried out under the provisions of this, since that officer would not be a public officer in the Immigration Department, and since it is desirable for a delegation to be done to the Permanent Secretary acting on behalf of the Minister who is responsible for immigration, this amendment is proposed.

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

SENATOR C. A. BLACKMAN: Mr. President, an immigration officer is invariably the first point of contact between a visitor to Barbados and also the last point of communication when he is leaving Barbados, and while, generally speaking, the attitude of immigration officers is fairly praiseworthy, there are some officers whose attitude in processing persons passing through the airport creates some cause for concern as to whether people are really welcome or not. I would like to suggest that the officers might wish, when they have someone whose language is not English or if they have a problem in processing an application, to have a different way of dealing with them rather than holding up a whole line of persons who come off a jumbo jet, particularly on a Saturday when the airport has four or five large aircraft on the ground at the same time. In other places, if the visitor is someone who needs perhaps more attention than the officer can give, there is some indication by pressing of a light and the supervisor takes them away and processes them elsewhere than in the line, and I would like to see this looked at.

I also think something needs to be done about the manning of the desks when people are leaving the island. Invariably, they have, from my observation — I use the airport fairly often — two officers on duty when people are leaving the country. But they have provision for five desks, and certainly there seems to be a need for more efficient manning of the airport when people are departing instead of the long queues that build up while other places are vacant. Aircraft leave in such a manner that I am sure arrangements can be made for adequate staffing to facilitate that. When people arrive, I must say this, they all turn out from their cubicles and man the desks for arrival, but you cannot find them when you are leaving, and I think this is something that can be looked into.

12.25 p.m.

Recently I observed the treatment of a visitor to the island, someone who has made a substantial investment on the island and whose language is not English. The attitude of the officer was one of hostility because of the communication problem, and the man wondered whether he had done the right thing to make the investment. Senator Smith, who is not present, knows something of that transaction. The man wondered, after coming here for the number of years he was coming, whether he had done the right thing to stay. I think, Sir, that situation ought to be looked into.

SENATOR L. R. TULL: Mr. President, something has been troubling me in respect of the practice of the Immigration Department in relation to the husbands of Barbadian women who come into Barbados. The Constitution initially made provision for the wives of

Barbadian citizens to become citizens of Barbados. There is a lot of agitation, and in my view, rightly so, by the women of Barbados, and it was contained as a recommendation in the Report of the Commission on the Status of Women, that the husbands of Barbadian women should be given an equal consideration as regards their status in this country. Legislation was duly brought before Parliament and passed to change that status.

What is happening now, Sir, is that the Immigration Department, illegally, is too often harassing and preventing the husbands of Barbadian women from coming into Barbados, and I can speak of specific examples. I have had in the last two months or so a continual *tete-a-tete* with the Immigration Department over one such case, but there are others I know of.

Another thing is that under the Marriage Act, people are required to be in Barbados for I think it is 48 hours — I was trying to check it, Sir, but I do not have it to hand — before they can get a Marriage Licence. Barbadian women take their men to the Ministry of Legal Affairs, apply for a licence to get married and the people at the Ministry of Legal Affairs tell them that they must go to the Immigration Department for the Immigration Department to pass some kind of initial judgement before they will issue the Marriage Licence. That is against the law. The law quite specifically says what is required for a Marriage Licence to be issued in this country, and what is in fact happening is that the Ministry of Legal Affairs is using the Immigration Department as another administrative arm of Government to delay and temporise to see if they could get the man out of the country before the licence is issued and the man gets married, and it is causing a lot of problems with Barbadian women.

I want to look at the other side because I know the problems with a small country like Barbados when you allow people to come in as they please, at a time when services are on strain and jobs are short. We have to be very vigilant, so I am not even in any critical vein, I am only explaining what is happening.

I think the Ministry of Legal Affairs is trying to prevent marriages of convenience, where men, and I am not calling any names, come from certain countries and, as the Immigration Department and the Ministry of Legal Affairs believe, and that is based on their experience, fraternise and get close to a Barbadian woman to marry her to be able to become a permanent resident of the country, and as soon as he gets that status, he leaves the woman high and dry. That has been happening. At the same time, one has to accept that if Barbadian men do not have that kind of difficulty with their foreign wives, it is most unfair that Barbadian women should have that problem with their foreign husbands.

the office, but I think the time has come when these people have really got to buck up.

The next thing I want to draw attention to is that if you were to go down there, it would burn your heart to see long lines of people queueing up to get the forms in. There is absolutely no reason why we should have a situation like this operating in a country like this. They have to find some other means of doing this or you have to have other offices. I am saying this to the Government. It is the Government's fault that this is happening, because we are running the country. We have to look out for the interests of the people and I think we will have to set up other offices other than the Immigration Office for issuing passports. You cannot have people down there lining up for hours like how they used to at the hospital; you must get "bad feels"! When you are going to put in an application for a passport, you have to carry along your food as though you are going to an excursion. It may sound like a joke, but it is not a joke, this is serious. It is not fair that people should be down there lining up.

Some of the receptionists are not the most polite either. I had an experience last week. I discovered that the passports of my family had expired when they were to leave on Tuesday. I only discovered this the Thursday before, so I called one of the officers, I explained the situation to him, and he told me to come down and he would see what he could do. I went down there and I told the receptionist — I am not making a complaint now — that I would like to speak to the officer. I waited until she was finished, and if you had heard how the woman carried me along, you would have thought I had asked her to go out during the night or something like that. In the most impolite way she said "You will see Mr. Howell when you wait your turn." I had to go back and say, "Tell Mr. Howell that I am here to see him," because he had told me to come. If she treated me that way, what do you think about the lesser fellow? When I say lesser, I mean you are no greater than the other fellow, but think about some person who was not in the position that I was in to call an officer and ask him to do this for me.

It reminded me of years ago when fellows used to go down there to get their names called for a ship. It has gone back to that kind of thing now to get a passport, and I think the time has come when the Government will have to set up various offices in different places where people can go and get a passport. You should not need to go to the Immigration Department to get your passport. You should go and register somewhere else, then they can send the documents down there and they can be verified and sent back to the smaller office.

But you have people lining up down there for a whole day. Sometimes people come from St. Andrew. They have to pay bus fare to come up, and that is only to put in the application, then they have to come back,

and then they have to come back. It is not good enough. If we are running this country, I think we have to make it worthwhile to the people who have supported us, so that they understand that we are out to look after their interest in a more amicable and expeditious way.

I thank you, Sir.

SENATOR A. J. N. PHILLIPS: Mr. President, I wish to express two concerns of mine in relation to a Caribbean person travelling within the Caribbean.

It is not easy to be a Caribbean person travelling within the Caribbean. I travel often and I know that. For instance, if you go to Port-of-Spain and tell an immigration officer you are staying at Mr. John Jones and he lives in Maraval, that is the worst possible thing to do. He then puts you through a questionnaire out of this world — how long you know the gentleman? what is the business concern about? — and a whole lot of rigmarole. But if you put down that you are staying at the Hilton Hotel or the Holiday Inn, he does not even spare the time to ask you if you can pay the Holiday Inn or the Hilton, he okays you if you are staying at a large hotel.

You go into Georgetown and the situation is worse. It is hard in and hard out, because when you are coming out, invariably you are subjected to a search out of this world. Again, too, they have in Georgetown a number of young recruits, or whatever you care to call them, 17 and 18 years-old, subjecting persons to personal searches when leaving Georgetown.

I was hoping that at the recent Heads of Government Conference that the matter of immigration would have been discussed. I really do not know if the Heads of Government are aware of the problems that Caribbean persons travelling in the Caribbean encounter from time to time. I can assure you, Sir, that it is not easy. I feel that movement of persons in the Caribbean should be much easier than it is now. I do not think we need to do this deep scrutiny of persons who travel within the Caribbean countries. They have established themselves as persons who travel to and from, they are not looking to live in the country, and I really do not see the need for that sort of exercise.

There is another related problem — this is not directly to immigration, but it concerns travel nonetheless — and I refer to the Customs. If you watch a large aircraft coming to the airport here, let us say with 300 persons on board, I find that that green line system they have at the airport just does not work. In my opinion it does not work because my observation is if there are five persons of one ethnic group on that flight, those five persons, for whatever reason are subjected to a check by the Customs. The other 295 persons on board are allowed through the green line, and I am wondering why

being a member of one ethnic group as opposed to another allows a person either to be searched or be allowed through free. I feel that some method should be devised so that it would not look as though it smacks of racism, because that is exactly the way it looks now.

It is not that persons are allowed through with one piece of baggage or two pieces. People have large quantities, seven and eight pieces of baggage, and are allowed through free, and then we are here concerning ourselves and wondering how drugs get into Barbados. I do not see any difficulty because those bags are not checked, because we are trying to encourage tourism, but I am not sure we are doing the right thing. I think that those persons carrying those large bags should be subjected to checks, even if you spot check them, but why select like five persons who are of the different ethnic group to check those five and allow the large majority to pass?

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. L. V. H. LEWIS, Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, Senator M. deL. JORDAN in the Chair.

12.45 p.m.

Clause 1 was called and passed.

Clause 2 was called.

SENATOR THE HON. L. V. H. LEWIS: Mr. Chairman, I would like to make a brief comment, which I failed to do just now, before I ask that Clause 2 stand part.

The several concerns which have been expressed about the operations of the Immigration Department have not escaped us in the Ministry of the Civil Service. Indeed, the Minister responsible for Immigration has asked that a thorough look be taken of the operation of that department and many of the problems which they have.

Some of the problems relate to accommodation, some of the problems relate to the absence of training for some of the staff and some relate to, and I am thinking of the Immigration Department specifically, the need for recruiting persons who can use language skills to overcome some of the difficulties which have been identified.

With regards to the Customs, the red line/green line operation will always be the subject of discussion. Much will depend on the attitude of persons recruited to serve

in the Customs Department, but as long as there is a Customs Department, we are going to find that from time to time there are one or two persons who consider that they need to treat their own people in a different fashion from those of other ethnic origins, which is unfortunate. It is a fact which we have to try to get out of their system somehow.

With regards to the possibilities of fraud and corruption, all I can say is that certain initiatives have been taken to try and ferret out persons who are suspected of these activities. I really hope that over the next six months we will be able to improve and partially clean up some of the problems in that department.

I beg to move that Clause 2 stand part.

The question that Clause 2 stand part of the Schedule was put to the Senate and agreed to.

On the motion of Senator the Hon. L. V. H. LEWIS, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. PRESIDENT resumed the Chair and reported accordingly.

On separate motions of Senator the Hon. L. V. H. LEWIS the Bill was read a third time and passed.

AMENDMENT TO RESOLUTION NO. 85/1985

Order No. 7 was called — To move the passing of a Resolution to amend Resolution No. 85/1985 approving the guarantee by the Minister of Finance of the payment of principal and interest agreed on in respect of borrowings by the Caribbean Broadcasting Corporation from the Bank of Nova Scotia.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the Senate has already dealt with the Resolution to permit the Minister of Finance to give a guarantee on behalf of the Caribbean Broadcasting Corporation to the Bank of Nova Scotia for funds provided to facilitate the construction of a headquarters of the Caribbean Broadcasting Corporation.

The mix of funds on an earlier occasion included some Bds. \$8.5 million and US \$3 million. The money market has changed somewhat, and with the liquidity of Barbados dollars available to the Bank of Nova Scotia, the original terms have been altered, and that bank is now willing to provide the Caribbean Broadcasting Corporation with Bds. \$6 million to complete the construction of the headquarters at the Pine.

This Resolution seeks to vary only the money element of those arrangements. The terms and conditions of the loan remain the same as previously.

I beg to move, Mr. President, that this Resolution do now pass.

The question that the Resolution do now pass was put to the Senate and agreed to.

VESTING OF LAND AT UPTON TO BARBADOS MUTUAL LIFE ASSURANCE SOCIETY

Order No. 8 was called — To move the passing of a Resolution to approve the vesting in Barbados Mutual Life Assurance Society of a parcel of land situate at Upton in the parishes of St. Michael and Christ Church.

SENATOR A. MORRISON: Mr. President, an offer was made by the Barbados Mutual Life Assurance Society to the Government to purchase approximately 28 hectares of Government-owned land at Upton, St. Michael. This is for the purpose of developing the area into a housing complex, with recreational and shopping facilities, and Cabinet decided that negotiations should be open for the sale of the land to the Barbados Mutual Life Assurance at a price of not less than 50 cents per sq. ft.
12.55 p.m.

The Commissioner of Land Tax came up with this as an adequate price for the land to be sold at and the Barbados Mutual Life Assurance Society agreed to pay the price. The area has however been determined to be 26.469 hectares, which is equivalent to 65.4 acres by admeasurement, now that the survey plan has been completed.

The Crown is expected to realise the sum of \$1 424 544.30 from the sale of this land. It is expected that further and substantial benefits will accrue to the economy of Barbados and its several jobless citizens when this housing project gets underway, since the Barbados Life Assurance Society proposes to purchase even more land from the adjoining privately-owned Hanson Plantation and expects to spend some \$50 million on this project.

The Chief Town Planner has already approved, in principle the sub-division of the 65 acres of land from other Crown lands in the area, and has further approved, in principle, the proposed use of this land for housing development.

Under the provisions of Section 5(1) of the Crown Lands (Vesting and Disposal) Act, Cap. 225, no Government-owned lands may be sold, leased, exchanged or assigned or surrendered without the approval of Parliament. Accordingly, Sir, Parliamentary approval is being sought now for the vesting of 26.469 hectares or 65.4 acres of land at Upton, St. Michael, in the Barbados Mutual Life Assurance Society for the sum of \$1 424 544.30, so that this area can be developed as a

housing complex with recreational and shopping facilities by the Barbados Mutual Life Assurance Society.

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

SENATOR L. R. TULL: Mr. President, I wonder if the Minister could be good enough to answer one or two questions for me. There were plans to construct a new police headquarters in that general Widley area, and I believe that some land had been identified for that purpose. Would the Minister be good enough to tell us whether this land is adjacent to, or part of, the very land that was earmarked for the police station that is now included in this plot?

There is one other thing I want to raise, Mr. President. About a year ago, or slightly less, a number of people who live in the tenantry at Hanson, which is right adjacent to this proposed development, came to me and mentioned that they were being nudged at one point into moving from where they were to go in another area, a swampy area some distance away, in the general area but some distance away, and they asked me whether I thought they should agree to move or not. I told them it was entirely up to them, that under the law they did not have to move, but it was a matter for them and the people who were doing the nudging. They came back to me a few weeks later and told me that there was no longer a nudging, there was a fairly vigorous shoving to get them to move off the land. I never understood why, I do not even know that I understand why now, but it is a very strange coincidence that having seen this plot today for the first time, and knowing of this development for the first time today, that right adjacent to this proposed development is where these people live and they were being nudged and then shoved off the land less than a year ago.

Some time ago, I had reason to express my serious misgivings about the — I used it in the context of insider trading, but it is wider than that — general passing of confidential information among certain chosen and elected people in Barbados that could allow them to steal a march on others. I am very careful on this occasion Mr. President, of making any accusations. I am not making any, but I cannot other than express a slight uneasiness at this kind of development. I was a little bit appalled when I saw the plan, Sir, because certain things began to fit in as in a jigsaw puzzle.

I would therefore like the Minister — I expect he might not be able to answer — to investigate the status of those tenants at Hanson Plantation who live adjacent to this development and to ensure that the Government brings its great power and authority to make sure that they are not short-changed or are not railroaded into

accepting something that is second best so that other people may be able to make fantastic profits.

As I said, I am not at this stage making any accusations, but if certain facts come to light, I will be shouting across the length and breadth of Barbados what is possible in this community. I would like the Minister to check that one out before I get too strident in the submission I am making.

SENATOR A. MORRISON: Mr. President, I can assure the honourable member that that would be checked out, but as far as the area that is owned by the Government ADC is concerned, it is the area of land when you come down Kent Hill, that land right above CBC. I am talking about the Government land, but I do not know anything about the tenants. I will check out that with the Ministry of Housing for you.

The development for Hanson is being held up right now, but this land will not interfere with any plans for a police station in Wildey, because these lands are exactly above the Wildey complex. From Elizabeth Park, the land goes below Kent Ridge and right across to Hanson. That is the area which is being sold off to the Society.

I will investigate your query about the tenants at Hanson Plantation in St. George.

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

SUSPENSION OF SITTING

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move that this sitting be suspended until 2.00 p.m.

The question was put to the Senate and agreed to, and Mr. PRESIDENT suspended the sitting accordingly. 1.05 p.m.

ON RESUMPTION

Mr. PRESIDENT: The Senate is now resumed.

SEVENTH ISSUE OF NATIONAL DEVELOPMENT BONDS — \$10 MILLION

Order No. 1 was called — To move the passing of a Resolution to approve the guarantee by the Minister of the repayment of a principal sum not exceeding \$10 million and of interest thereon borrowed by the Barbados Development Bank by means of a seventh issue of National Development Bonds.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, this Resolution seeks approval for the guarantee of

payment of principal and interest in respect of a loan of Bds \$10 million which the Barbados Development Bank proposes to issue as National Development Bonds. These funds are required to complement the resources of the bank over the next 18 months in respect of its lending programme, to assist various types of business activity. The six previous issues of Development Bonds totalled some \$66 million, and most of the issues of those bonds have been fully subscribed, in some cases, over subscribed. The bonds are quite popular.

It is proposed that the interest rate on this particular issue of bonds be 6 per cent per annum, that the maturity of the bonds be ten years and that the \$10 million be issued in two tranches of \$5 million each. This proposed issue of bonds and the loan to be raised keeps the bank within its limit prescribed by law in relation to its borrowing ability.

The role of the Barbados Development Bank is well known and I would not wish to go over that.

I would like to therefore move that this Resolution do now pass.

SENATOR L. R. TULL: Mr. President, I understand that the Barbados Development Bank is paying someone as its representative in Atlanta, Georgia, half million dollars a year to look after the interest of Barbados. I forgot the gentleman's name, but he was connected with Air Atlanta. US\$250'000 a year! I know that Air Atlanta is now in bankruptcy. This man was the Chairman of Air Atlanta.

I wish the Minister to allay my fears about this one, because I really cannot understand what it is that could cause a man to be paid half million dollars a year to look after, ostensibly, the trading interest of Barbados. I hear he is designated an Honorary Consul. The word "honorary" has a peculiar and special meaning derived from the Latin word honor or honorarium. Honor means honour and honorarium is a Latin word which means a tip. So I want to get that squared off, Sir, the half million dollars.

Asides.

SENATOR L. R. TULL: It is a mighty big tip. I would like some information on that. I would like to hear that it is not true. It is all over the place and one must raise the issue.

In respect of the Barbados Development Bank, there was a debate last year in the Other Place before the change of Government when the present Minister of Finance was the main spokesman for the Opposition on Finance, and that is when we came for the guarantee for the sixth issue of National Development Bonds — this is the seventh.

The then spokesman for the Opposition, who is the current Minister of Finance, said, "We start off by facing the harsh reality. Today we are being asked to increase the national debt of this country by \$15 million." And as is his wont, he ranted and raved at the fact that we were issuing bonds for the Barbados Development Bank to the tune of \$15 million, and he had a lot to say about it. One year later, the same gentleman introduces in the Other Place a Resolution, without so much as blushing, for \$10 million for the seventh issue of these bonds. These things have a way of catching up with you, and the amazing thing about it is that so many things are catching up with the Minister of Finance and the Government that I wonder how they sleep easily at night.

It is generally accepted that a national development bank is a major instrument of economic policy in a country, and it is necessary that the policies of the bank harmonise with those of the Government in its general economic policy. At this time, Sir, there is great unemployment in Barbados, record levels of unemployment, and there is great difficulty in the areas that would contribute to the easing of unemployment. Manufacturing industry is in the doldrums and factories are being closed with a great deal of rapidity, and those that are not closing are laying off people, and there has been a net loss of jobs in industry during the past year. There has also been slowing down of the start-ups in industrial concerns.

There has been the demise, or near demise, of agriculture. This year, for the first time, agricultural workers have been laid off after the crop, large numbers of them, and have not been re-employed, which puts a big dent in the oft-repeated boast of the Democratic Labour Party that they introduced a five day week, the brainchild, perhaps, of the Barbados Workers Union, for agricultural workers. This year, the first time for many years, agricultural workers have been laid off after the crop and can find no employment. So things, Sir, are not as good as we would like to feel.

We have also, Mr. President, sought to engender the spirit of self-reliance a concept often mooted by the late Prime Minister. This concept of self-reliance places a lot of emphasis on the development of entrepreneurial skills and the concept of self-employment.

The Barbados Labour Party Government introduced — I am not going to deal with it in any detail, because the next piece of business before the Senate deals with the Occupational Training Act under which this might more appropriately be raised — a number of policies that would work to the benefit of large numbers of young people in this country who could not find employment and who we felt might gainfully be employed if they were prepared to accept certain skills and go out on their own.

If that is the policy of the Government, it is necessary that there be some Government agency that would provide seed money, venture capital, to small business people and individuals who wanted to get into something and employ themselves and maybe one or two other people, and the Development Bank has historically performed that role. It is still performing that role.
2.10 p.m.

There has been a certain raising of eyebrows when the present Chairman of the Barbados Development Bank made some pronouncements in respect of the new policy of the bank. I am afraid, Sir, that despite protestations by people in Government, the Barbados Development Bank is now assuming a lot of the characteristics of a commercial bank, and common sense tells us that you cannot run a development bank like a commercial bank. There are a different set of principles.

When the Chairman of the Bank, with his new board, seeks to call in loans from a number of private borrowers and require them to pay the loans back, in terms that are burdensome and onerous to these people, and when he has put into the classification of doubtful loans category a number of these people who because of the recession and the difficulties in having markets both inside the region and beyond, he is really putting a pall over their operations. You cannot use the criteria of a commercial bank in a development bank. That is so basic that I do not know why anybody has to say it, but there is a quarrel at the moment between the bank's customers and the bank, and it is precisely for that reason, because there seems to be a lack of sensitivity of the difficult and trying times that small business people are facing in this community, in most cases, due to no fault of theirs.

The Development Bank provides lending for small hotels, and the small hotels must carry the burden of this almost useless summer trade. I say "almost", Sir, because the small hotels do not really make anything out of the summer trade, because the rates are so low, they have to cut below what is economic, but I guess there are other sectors that derive some benefit and we have to look at these things on a global plane.

Aside.

SENATOR L. R. TULL: I know that they make it difficult for Barbadians to get buses home, because there is a crowd of them, but I believe a few taxi drivers still make a living here and there, and maybe some of the commercial houses still manage to sell a few things.

Money from the Development Bank is provided for people in the hotel sector, and principally the small hotel operators, and people in industry and so on. What I have a quarrel with, Sir, if any, is that there is this lack of sensitivity as to the real difficulties confronting these two

sectors at this particular time in our history. I do not know if there is a gap between the policies of the board and the actions of the loan officers — maybe the Minister could explain this — but I do know that these people are being treated in a way to suggest that the bank is not aware of the very difficult circumstances in which these people find themselves at this stage.

Mr. President, in a debate last year, none other than the late Prime Minister, in one of his puckish moods and with a little undercurrent of frivolity, began to argue a case along the lines of profit making of development banks. I think he had done it after I had made an intervention in the debate. He sought to give the impression that there were people on the benches of the then Government, including myself, who felt that development banks should not be run with efficiency, or indeed even seek to make a profit if they can. The burden of my contention then, as it is now, Sir, is that development banks cannot measure their success in terms of the figures on the balance sheet at the end of the year.

Development banks must take into consideration, in determining whether they are successful or not, in a community such as ours, how many jobs they have helped to create or to preserve during a period under review. So if you get the report of the Development Bank and all you see in it are some figures and then at the bottom you hear something about you lost \$7.9 million or whatever and it does not tell you how many small businesses during that year it managed to keep open, and how many jobs it preserved, then the balance sheet is a waste of time, in my view.

The Barbados Development Bank has a number of roles set by statute and I believe that they have been following them fairly rigorously. What has happened, however, is that, in this new dispensation, in an effort to clear up what they perceive as the mess of a previous Administration, to make themselves look good they are disregarding what should be important priorities.

I think that the Inter-American Development Bank did an audit of the accounts of the bank and made certain recommendations, and by a certain dextrous movement — I hear the Prime Minister quarrelling over sleight of hand and sleight of hand, I do not always remember which one it is — by some little movement of the wrist, they managed to interfere with the accounts of the bank and put them in such a way as to suggest that there has been a substantial loss on the bank in the last year. And by using the same movement of the hand, they have brought things back in to suggest that there is going to be a small profit this year. I am not really getting into these little arguments over whether the Development Bank made a profit last year or this year. I think that these things are really peripheral to the main central

question, and that is whether the bank has succeeded in carrying out its statutory role in providing the measure and kind of assistance that is necessary to keep small businesses going.

I know, Sir, that since 1984, the bank, because of the problems of the international recession and its impact on Barbados, has been able to do a lot of rescheduling and refinancing of loans that were made by the commercial banks to the small business people, and were it not for that kind of action by the bank a lot of businesses would have gone under. I have known that the Development Bank — and it is a pity that it does not do more of it — has now put a greater accent not only on lending money, but on doing a follow up, because many of the small entrepreneurs who get an idea and try to translate that idea into successful business activity are lacking in management skills, accounting skills and those kinds of skills, and I am glad when I hear, if it is indeed true, that the bank is now using its expertise in following up the loans it makes to make sure that these people who get the money are doing the right things.

I am always a little bit concerned, Mr. President, about the lack of additional funds when a business gets going. Quite often a small business gets into trouble and it needs immediate cash to keep the operation going. I am not too familiar with those technical terms, but it has to do with getting additional cash, operating capital, to keep the business going.
2.20 p.m.

I have complained in the past, and I will complain again, that they have to put in applications for the money, they have to go through the long process of analysis by the banks' operatives, then it has to go before the board, which meets very irregularly, in my view, to do the job that it is required to do and by the time the board approves this additional money to keep the business going, a year has passed and the business has already died, so they approve the medicine after the patient has expired his last breath. It is necessary for an improvement in the system whereby funds could be disbursed on a more rapid basis to avoid the kind of situation to which I have just adverted.

There is another problem that I believe the bank has to consider — the requirements for all of these heavy feasibility studies. No one can seriously argue that if the bank is going to invest massive sums into any project that it is not necessary that a feasibility study be done by the bank so that the bank can satisfy itself that it is not just throwing its money down the drain. But it is a little bit annoying that with the smallest operators, those who are called micro businesses, those who want to start a canteen on the new highway where the people are working, or those who want to run a business that requires no greater

capitalisation than \$10 000, \$15 000 or \$20 000 and could probably employ two people there to do all the paper work.

It is a waste of time to tell those people about feasibility studies. They do not even understand what the word "feasibility" means, and it puts them off. When you tell these people about feasibility studies and you have to prepare all of these kinds of reports and fill in a multitude of forms, they get put off. They want to go somewhere else and sit down with someone and say, "This is what I propose to do, here is my background, let me get the money." You are going to lose some, but you have to take that risk, and the risk is worthwhile in a community where unemployment is so high.

I know, too, Mr. President, that the bank in its new directions has made itself somewhat top heavy with a lot of consultants. Experience has taught me that the proliferation of consultancies in any organisation results in the retardation of progress. I am not knocking consultancies, Sir, they are necessary, but I understand that the Barbados Development Bank is overburdened with consultants. I also understand that the Chairman of the Barbados Development Bank is also the consultant to that bank.

(Aside: Not true!)

SENATOR L. R. TULL: The Minister of the Public Service has told me it is not true and I am going to accept his word. You must give the public information, because that is one that has been making the round long and you have done nothing to counter it. When I hear something so regularly without refutation, I tend to believe it. But if you say it is not true, it is not true.

Quite often, as I said, information is slow, and we do not always tell people what is happening, but I know that loans to small service industries rose from \$160 000 in 1976 to \$13 million by December 1985. I mention this because quite often we do not blow our trumpets enough. Well, this is trumpet blowing season, and I will do my fair share of blowing.

The question is quite often asked, what is the Government doing about making a dent on the unemployment situation in Barbados? I am at a loss to tell what this Administration is doing about trying to make a dent in the unemployment situation. I have seen nothing, absolutely nothing, not even one thing, to suggest to me that they have a clue about how to deal with it, or, indeed, if they have that clue, they are doing something about it. When you increase this money substantially, \$160 000 in 1976 to \$13 million in 1985, to small service industries, you are doing something of great importance, you are assisting the industry that creates

employment for people in this community. I have not seen anything new that is happening.

In the Budget of last year, the Minister of Finance, with a great deal of fanfare, included a proposal for providing easy loans to small businesses. All these technical people talk about opening a small business window in this institution. I do not know how they get in windows and not doors. In my submission, a small business window as talked about by the Minister of Finance is nothing more than an extension of what was proposed by his predecessor in office three or four months before, when he made available — I do not remember the figure — some considerable amount of money for small business people who would be able to get their hands on it and do things that looked good without all the paraphernalia that I was talking about earlier.

My next point relates, Mr. President, to the perception by the people who make the loan that it is open season, supported by the Government, that what is necessary now is efficiency, not humanity, not dealing with people, and that if efficiency requires that you call in a loan, or you do not do this and you do not do that, you take that course. It is now time to let us pursue efficiency and let human concerns go by the board. I think that very recently there was a meeting between some of the manufacturers and the people of the bank, and, as I gathered, it almost degenerated into a mayhem, simply because of this lack of understanding of the problems that I have just raised.

We support this loan guarantee, just like we supported the one last year which we brought before Parliament, for which we were wrongly criticised by the then Shadow Minister of Finance, now the substantive Minister, and on which, according to my memory, the then Leader of the Opposition, the now deceased Prime Minister, told the people of Barbados not to subscribe to the bonds. A year later, his Government is travelling down the same track and selling them to the people as something that is entirely desirable.

2.30 p.m.

I heard a junior Senator say only today that too often politicians are more concerned with what sounds good than what is true, and that is an enormous amount of wisdom in the breast of our junior Senator. I agree with him. I would hate to think that at some time....

Asides.

SENATOR L. R. TULL: That would not happen, because I would not be in Government again.

I would hate to think that if I were in a Government, I would be getting up and saying things that are

directly contrary to what I professed when I was in Opposition, but it seems to me that this present Government does not worry too much about these things. They are not interested in image.

Mr. President, the Chairman of the Barbados Development Bank, a Mr. Russell, is getting on as if the bank is his personal property. That bank belongs to the people of Barbados.

Mr. PRESIDENT: I prefer the honourable member not to raise names. If you want to say "the Chairman of the Bank", that is all right, but it is not the best thing to raise names in Parliament like that, whoever Mr. Russell may be. If you want to say "the Chairman of the Bank", you may say so.

SENATOR L. R. TULL: I accept Your Honour's guidance in this matter. I withdraw the name.

The bank, because I am not interested in personalities, is behaving as if it belongs to those who are running it. It seems to be a communicable disease, because the chairman of the other bank, the National Bank, pontificated about loans to the sugar industry, with the result that the industry is seeing times harder than hard, and in a similar vein the Chairman of the Barbados Development Bank had to come out and show that he would not be left behind by making an equally stupid statement in respect of the loans that were being made to clients of the Barbados Development Bank. I do not know if the Minister of Finance has the moral authority to rein them in, because his statements are as reckless, or more reckless, than theirs, but if he has any moral authority, I think he should rein in these people, because this society is not just made up of the handful of people who cling close to the bosom of the Democratic Labour Party. This society is made up of everybody, and these institutions are not made for any group of party hats or the other, and they are also important national institutions, and therefore we would be glad if we could see a lot of the shooting from the hip talk by these chairmen of statutory boards restricted.

Finally, for the benefit of those who would probably get up after me and say things that I cannot reply to — oh, the difficulties of having only two, Sir, you cannot reply when they get up and say all kinds of things about you! — I want to say that to assist manufacturers during the Barbados Labour Party regime, the Barbados Development Bank refinanced some \$2.6 million in loans to industry. That was between 1983 and 1985. There were also loans made by the Barbados Development Bank to the manufacturing industry that rose 600 per cent between the same period to \$33 million in 1985 — I gave a figure a few minutes ago — and in respect of loans to small manufacturers, these increased from \$379 000 in 1980 to \$1.3 million in 1985. I mention

these as some of the things that would help those who would come after my jugular after I sit down.

There was also a policy of rescheduling loans and refinancing loans from the commercial banks, and I can say that, also in the period I am reviewing, 1983–1985, the Barbados Development Bank refinanced loans to the small manufacturers to the tune of \$5.2 million. They made money available for hotel and apartment construction of \$35 million in 1985, which was a 200 per cent increase over the period two years earlier. I mention these figures to give some idea of where the money has been going.

I keep talking about the final point, but there are so many things to talk about on this particular issue. One is the conditionality of loans, that very awkward new word that is in the jargon of everybody who talk about these things. When I was going to school, you used to call them conditions, but now I have got a little older, they call it "conditionality," God knows what they will call it in ten years' time!

The conditions attaching to loans by the Barbados Development Bank were criticised by the Democratic Labour Party in Opposition. I think that is a little bit misleading, because the bulk of the money that has been used for on-lending to the sectors that we have considered is money that has been gathered externally, money that we borrowed from overseas, and when you borrow money from overseas, the people who lend you the money set the conditions under which you must on-lend the money, and therefore the Barbados Development Bank cannot borrow money from the World Bank or whoever on certain conditions and then do something else with the money that does not fall within the conditions set out in the loan.

It is true, Sir, that the cost of borrowing money has fallen considerably in the last year or so. Interest rates are not the usurious rates of a few years ago when the Barbados Labour Party was trying to survive under the blast of 22 per cent interest rates on money. You can borrow money for less than 10 per cent now, and, therefore, terms are a little easier when institutions like the Barbados Development Bank are on-lending. As a matter of fact as I have had occasion to say on the floor of this Chamber before, that despite the foolishness of the statements of the Government about borrowing money and the National Debt and all that, native commonsense tells you that you should borrow money a lot when the rates are low and try to pay off loans that were contracted when the rates were high. That is elementary arithmetic. That is not economics nor finance, that is elementary arithmetic, and therefore when the Minister comes this year and asks for a new issue and makes a significant change of direction, who knows maybe he was thinking along just that line that you do not have to pay too

much for the money now as you did at an earlier stage. Of course, last year he did not have to pay much for it either, so I cannot even credit him with that. But I do want to make the unbiassed, unprejudiced point, Sir, that the conditions attaching to loans made to small manufacturers, small hotel people and others are not a conscious and deliberate policy of the Government alone, or the bank alone, but are governed to a very large extent by the conditions under which the money is borrowed.

Mr. President, we on this side support this particular Resolution and hope that the Minister in his reply can tell us something about this \$½ million that is being paid by a friend of the party in Atlanta.

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

OCCUPATIONAL TRAINING (AMENDMENT) ACT, 1987

Order No. 9 was called – To move the second reading of a Bill to amend the Occupational Training Act, Cap. 42.

SENATOR A. MORRISON: Mr. President, this Bill seeks to amend the Occupational Training Act, Cap. 42 in order (a) to make it mandatory on all training contributions collected under that Act to be paid into the Consolidated Fund, (b) to make amendments to the said Act consequent upon the foregoing, and (c), to re-enact certain provisions of the said Act which were omitted from the Revised Edition of the Laws of Barbados which came into force on March 1, 1987.

Sir, the Minister of Finance in his Financial Statement and Budgetary Proposals made on April 7 this year announced that, with effect from May 2, 1987, the Training Levy would be increased by 0.5 per cent of insurable earnings and that this increase would be payable by the employee. The rate payable by the employers of 0.5 per cent of their insurable wage bills remained unchanged.

Following a directive from the Director of National Insurance, the Government agreed to change the effective date of the proposals relating to all the levies to Monday, May 4, since, for National Insurance purposes, the week commences on Mondays. This position was approved by the Cabinet, which also agreed that the increased levies should apply to self-employed persons, but with an effective date of June 1, 1987.

We are taking the opportunity at this time to have the Occupational Training Act amended to have all funds raised through the Training Levy paid directly into the

Consolidated Fund. This accords with the proposals made in a previous Budget in July 1986 to introduce legislation to transfer certain extra-budgetary funds into the Consolidated Fund. The relevant legislation has been prepared to give effect to these proposals, but the Attorney-General has advised that the edition of the Laws of Barbados which came into force on March 1, 1987 did not contain in the Occupational Training Act, 1979–28, now Cap. 42, many of the provisions which were inserted by the Occupational Training (Amendment) Act, 1982–9. We are taking the opportunity to re-enact those omitted sections.

Before I move the second reading of this Bill, I should like to move certain amendments which have to be made to this Bill. These amendments have been circulated.

The present amending Bill at Section 10 (1) says that provisions of the Occupational Training Act, 1982, were inadvertently omitted from the recently revised edition of the Laws of Barbados. Some of these same provisions are now themselves being amended by Section 4 of this Bill, and if we do not amend them down to Section 12G, some of the provisions of 12B – 12G would appear in duplicate.

Also in Clause 10, a new subclause 2 is needed to make provision for contributions collected between 1st March and 31st March, 1987. This is because Section 12(1) abolishes the Fund as from 1st March, 1987 and by Section 12(3) contributions collected can only be paid into the Consolidated Fund as from 1st April, 1987.

Sir, in the introductory words to Clause 4, delete the word "12A" appearing in line 2 thereof and substitute the word, "12G".

In Clause 10 of the Bill, insert after subclause 1 the following:

"(2) Notwithstanding anything contained in Section 4 of this Act, all contributions collected by the National Insurance Board pursuant to Section 120 of the principal Act between 1st March and 31st March, 1987 shall be disposed of in a manner specified in that provision of the principal Act as it stood immediately prior to 1st March, 1987".

Also, renumber existing sub-clauses "(2)" and "(3)" as "(3)" and "(4)" respectively.

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

Mr. PRESIDENT: The honourable member is suggesting that when he reaches that stage, he will be making the proposed amendments.

SENATOR L. R. TULL: Mr. President, one of the proud achievements of the last Barbados Labour Party's regime was the institution of the Occupational Training Act and all that is connected therewith, the Skills Training Programme, the Apprenticeship Training Scheme and the others. We are proud of it because we recognise the growing problem of youth unemployment, and we recognise that even though all our manpower surveys show that there was an abundance of labour in Barbados, yet there was a large number of jobs that could not be catered to by Barbadians, because they were not trained to do it. So we went into this tripartite partnership between Government, the unions and the employers so that we could work together as a team in true national spirit to find a solution to some of these problems.

The Training Board was established and it addressed a number of the problems. The Training Levy was also introduced to finance the work of the National Training Board. The Training Levy now yields \$6.75 million a year.

This present Administration, as has just been outlined by the mover of this Resolution, said that it is honouring a manifesto promise by putting the money into the Treasury, that somehow or other, having these private funds, these levy funds, in a different account is anathema to the Government. Their manifesto also said, and the pronouncements of the leadership of their party, that they were going to put the Transport Levy into the Consolidated Fund. But they did not do that. They did not do that at all. So they are selective in what they will honour and what they will dishonour.

They put this money into the Consolidated Fund, \$6.75 million, but only \$3.5 million of that \$6.75 million is being spent on training. The other \$3.25 million is being put in the Consolidated Fund for general expenditure in the country unrelated to training. At other times and other places, when the sun is no longer hot and the night air is blowing in my face, I would say that that is the biggest rip off in the history of this country. But I would not say that. Half of the money that is put into the Training Levy out of my pocket and yours, Sir, is being spent on training, the other half is being put into the Consolidated Fund to pay for everything else, including the salary of the Minister! I really do not think that is right. That is so wrong, Sir, that I cannot understand how they could have the gumption to come before Parliament with it. And it is not that you do not need the money for training!

If they were raising \$6.75 million, but they really did not need that much for training, I would say okay. You have to supplement the Budget, since the Government has been so reckless as to give up fruitful sources of revenue to run the country, so I would say that you are supplementing the Budget with this. What troubles me, Sir,

and troubles me greatly, and I am dead serious about it, is that when this Government can give \$22 million back to the private sector, the big ones, to swell the coffers of big business in Barbados, they are calling on the maids, gardeners, sweepers, cleaners, bus conductors, drivers, painters, labourers and everybody to put back into the Treasury \$3½ million to help run the country, when they picked up \$22 million and gave it to the private sector, which is larging off. Every day you see in the paper what fantastic profits they are making as a result of the 10 per cent reduction in the Corporation Tax.

2.50 p.m.

Mr. President, I try to be reasonable in these things. If the private sector had said, we got back \$22 million and here are X hundred of jobs that were created, I would say the Government has to pay something for job creation. You cannot expect the private sector to help out the Government in taking on hundreds of people to work to alleviate this unemployment situation and do not give the concessions to the private sector. But that has not been happening. There has been no matching of the \$22 million received by the private sector as Corporation Tax relief with job creation in Barbados. On the contrary, I am submitting that there has been a net loss of jobs in the same amount of companies that received the \$22 million, and I can be challenged any time, because I have investigated it, got figures and I can read them out.

Aside.

SENATOR L. R. TULL: I will not educate you in these things.

Barbados Shipping and Trading, for instance, is employing fewer people now that it did before it got the reduction in the Corporation Tax. My friend, Senator Prescod, is talking about bringing the statistics. I think the Senator has been in rarified company too long. You do not deal at that level. They shut down DaCosta's — that is Barbados Shipping and Trading

Mr. PRESIDENT: Senator Tull, I do not want to stop you. Do not mind the others, but you are on the second reading of a Bill dealing with an amendment to the Occupational Training Act and I would like you to look at that and revert to that. It is the second reading speech you are making on the amendment to this Bill. Would you stick to that, please?

SENATOR L. R. TULL: I am trying my best, Sir.

Mr. PRESIDENT: Do not let us go too wide over anything that the Legislature has passed since 1635, let us deal with the second reading of the Bill. I am aware that you know the rules, and when you are making a

second reading speech you have to stick to the principles of what the second reading is to deal with. I would be glad if you do that.

SENATOR L. R. TULL: I will try to stick to the principles, Sir.

The principles of this Bill tell me that even though the Government has increased the Training Levy, they are not putting the additional funds they are getting from the levy to training young people in this country for employment — they are putting the money in the Consolidated Fund to pay all kinds of things other than training.

When we talk about training, we are talking about employers. The employers used to get a cut of the Training Levy for in-plant training and training on the job. The companies to which I made reference, Sir, would receive money for training people in their enterprises and they could draw money from the Training Fund for that purpose. I now understand, and Senator Lewis can tell me if I am right, that they do not get any money any more.

I also know, Sir, that the Industrial Development Corporation was able to draw from the fund to train young people in the factories, because the Industrial Development Corporation pays 75 per cent of the salaries of new workers in industry for the first eight or nine or ten weeks, and that is to give the manufacturers a little ease with the money. It is a subsidy to the manufacturers for these new people. I understand that, too, has finished.

When I deal, Mr. President, with the employers, it is all consistent with the policy of the Training Levy, the rationale for having it in the first place, and I am talking about the butchering of the policy that has been enunciated and was being implemented by the Barbados Labour Party Government. Something is very wrong with a situation such as that.

BIMAP used to get some of the money to train people. The Employers' Confederation used to get some of the money for training people. All of that has, unfortunately, come to an end, and I am asking the Minister — he has gone now — to tell me why in introducing these things so blandly he does not spell out the whole thing so that we could minimise the debate and go home early, because if he had said these things, we would have raised our eyebrows, said we understand and leave it at that.

Going further, there is another change in direction in occupational training. There are two schools of thought in respect of training at this level. One is whether it should come within the formal structure of education, like the technical wings of the secondary schools, the

polytechnic and so on, or whether it should fall under the Ministry of Labour situation where you are operating in a non-formal education set-up. This has happened in Britain, in most of the United States, in most western European countries and in Singapore, and has suddenly become the model for the Democratic Labour Party.

Do you want occupational training to be within the straight jacket of the formal education system? Or do you want occupational training, such as envisaged in the Act, to fall in an agency outside the Ministry of Education that is preparing people in a more practical way for the job opportunities that may be available in the country? I support the second view, Sir, and I am charging that it was a mistake for the present Administration to take occupational training, the Skills Training Programme and the National Training Board from the Ministry of Labour and put them under the Ministry of Education.

I would not, Sir, at the risk of getting too far outside the bounds of a second reading speech push a few other thoughts that are in my mind, but I certainly would like to reiterate, with all the emphasis that I possibly can, that it is wrong to take up half the Training Levy and put it into the Consolidated Fund to pay salaries and to do all the other things that Government spends money on, when we are being made to understand that we are putting money in this fund for training. It is not only a misnomer, Sir, it is plain, open and naked deception, and I am very much against it.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, it would be very improper if we allowed the remarks made by the last speaker to go unchallenged. He made a lot of insinuations which he cannot substantiate.

The latest statement that I have been able to trace on file relating to the National Training Board reveals that contributions have continued to be made not only for the National Training Board, but for the Samuel Jackman Prescod Polytechnic, the Employers' Confederation, BIMAP and the Community College, and that apart from the actual payments that were made, other commitments have been made for these bodies, and these commitments will be honoured, including a payment to the IDC of some \$72 540. If it is a lie, the Chairman of the National Training Board.....
3.00 p.m.

(Aside: SENATOR L. R. TULL: What year?)

SENATOR THE HON. L. V. H. LEWIS: All right. In 1986. That is what we are talking about.

Mr. PRESIDENT: We will not talk across the table. Address the Chair Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: This statement was made at the end of 1986 by the Chairman of the Training Levy Fund, so I do not understand why a habit is made of inferring things that may be borderline truthful without trying to find out the facts. If he is asking a question, then the answer is that payments have been made up to 1986 to all these several bodies. If it is discovered that these have been stopped, and I am not aware that they have been stopped, I will come to the Senate and say that they have stopped, but the information which is available says that they have not stopped.

The other matter, Mr. President, is that far from the money being now all put into the Consolidated Fund for use of various purposes, the custom all through the years was to take money out of the Consolidated Fund to supplement the levies that were collected, so over several years, the National Training Board and several other institutions have been beneficiaries not only of the levy monies, and levy is a form of tax, but also monies coming out of the Consolidated Fund. A policy decision was taken that all the money should go into the Consolidated Fund so that the total outflow of funds for these purposes could be traced into the Consolidated Fund.

SENATOR J. S. GODDARD: Mr. President, what concerns me about this amendment to the Occupational Training Act really is more of a management principle, because this Bill seems to confer on the Minister the authority to fix every salary and wage and approve every appointment, as really is contained in Section 10 of the Bill. It gives the Minister that discretion of fixing the level above which the board may not make any appointments or fix any salaries. If the Minister wishes, if my understanding of the Bill is correct, he will, in effect, be fixing every level of remuneration and approving every appointment.

I raise this point because many years ago, it may be 20 years ago, I served on the board of the Caribbean Broadcasting Corporation and a similar situation obtained where on just about every appointment above the level of maid or gardener — and I am not trying to belittle those positions, I am just saying that they were the lowest end of the wage scale — the General Manager would make a recommendation to the board, the board would consider it and then had to make a submission to the Minister and await his pleasure, or approval, or disapproval. From the point of view of managing the affairs of any statutory board or Government corporation, that just to me does not make sense. I do not know if it is the policy of Government that this should continue, but if it is, I submit it is the wrong way for any Government to try to manage any statutory board or corporation.

I would have thought that having made the appointments to the boards of people whom they thought had the necessary training and expertise, they could have

left it up to those boards to make the appointments. I can see the Minister reserving the right to approve the appointment of the Chief Executive Officer appointed by the board and I will even go one level down into the hierarchy of management, approving persons who would report directly to the Chief Executive Officer. But technically, if my understanding of this is correct, the Minister would have the power, if he so wishes, to approve every salary and wage level and approve every appointment, and I do not think that this is in the interest of efficiency of this board or any statutory board or corporation in this country.

Mr. PRESIDENT: I would just like to say to Senator Goddard that the Constitution of Barbados comes before anything you can say. Look at the Constitution of Barbados. Since November 30, that is the prerogative of the Ministers. That is what the legislation has already given them. It is nothing we are giving them. That is what they have. All of the Ministers, past, present and whatever, had that prerogative in making those determinations.

SENATOR A. MORRISON: Sir, I would just give a brief rundown, for the benefit of Senator Tull.

Asides

SENATOR Dr. L. L. SHOREY: Mr. President, before I move on to the point which I particularly wish to make as part of my contribution, I would like to say for the record that the kinds of concern expressed by Senator Goddard are shared by me. I feel very uneasy about the kinds of powers apparently implicit in the provisions here.

I am concerned, also, and this is, I think, a reasonable point, that the training provisions have been moved from the Ministry of Labour and placed within the the Ministry of Education. That is my understanding of the existing provisions. It seems to me that although on the face of it, I might grant that there seems to be some logic in that, because if one is saying training, there is some linkage with education, if one moves beyond the superficial interpretation of the words and if one looks then at what is actually involved and looks at the way in which the Training Board used to operate, the kinds of functions which it used to carry out and which presumably, one would still wish to see it carrying out, it seems to me that there are good grounds for being concerned that the functioning of the board not only is likely to be prohibited, but, from my understanding, the functions of the Board are already being inhibited in terms of the kinds of activities which the board can legitimately undertake in the present circumstances.

3.10 p.m.

The feedback I have been getting is that, in fact — I nearly said that the board is being in part emasculated, but that figure of speech might not be the most appropriate — the board is at least being hamstrung — I think that is a safer word to use — in its efforts to provide the kind of training which it was set up to provide in terms of helping our youths prepare for and be ready to fill work positions in our country. That is my big concern, Sir, and I would wish to ask the Senate and, through this Honourable Chamber, to invite the Government to reconsider the placing of the provisions for training implicit here, because the movement to the Ministry of Education is, I think, a disservice to the training provisions in the country rather than a service.

SENATOR F. G. SMITH: Mr. President, perhaps this is my last speech in this Honourable Chamber. Be that as it may, Section 107 of the Constitution says, and I would like to read it, because the Government has got a decision to make — we do not make decisions on the Barbados Labour Party or the Opposition: "There shall be in and for Barbados a Consolidated Fund, into which, subject to the provisions of any law for the time being in force in Barbados, shall be paid all revenues of Barbados."

It is for the Government to decide what funds will go into the Consolidated Fund or what funds are not to go into the Consolidated Fund. That is a decision a Government must make, not because the Opposition or other people feel that funds should not be going into that fund, because all monies that go into the Consolidated Fund can come out of the Consolidated Fund on proper warrant and proper requests over which the Government and the Auditor General have control. This is the point that they do not appreciate.

The Auditor General is enshrined under the Constitution. He looks over all payments made out of the Consolidated Fund, and when monies are paid into the Consolidated Fund, we have a fearless officer who from time to time will report to the country on any defalcations or any misuse or abuse of the laws, or abuse of the funds paid into the Consolidated Fund. So, in my humble submission, Mr. President, all monies are preferably better off in the Consolidated Fund, because they had to be voted out and checks can be made of them to the satisfaction of the general public. But whether a levy should go into the Consolidated Fund or not is a matter for the Government, and if the Barbados Labour Party wanted it in a separate fund, that is their business. We are the Government now, and if we put it in, they can take it out whenever they get back into power.

Mr. President, there is little talk about our planning to put all these levies into the Consolidated Fund. You do not have to put them all in one morning. We are in power until 1991. With 24 to 3, there is no likelihood, in spite of your propaganda that the party is breaking up, that we will not survive. We are going to be there in

1991, and every year we can put a levy in there if we want. We can put one now, we can put in one in 1988, one in 1989 and one in 1990. Because it is in our manifesto, it does not say that within six months it must go in there. The Government chooses the time when it wants to put money or levies into the Consolidated Fund.

I had better borrow some products from the Barbados Labour Party rumour factory, because I hear some rumours come in here all the time of a man getting \$200 000. If Senator Tull would tell me where the Barbados Labour Party rumour factory is, I might like to buy some products, too, or perhaps the Minister of Trade might be able to export and earn some foreign currency.

The Minister having the right to fix salaries is nothing new. If you take the laws of Barbados, every statutory board gives the Minister the right to fix salaries over and above a certain amount. If you look at another instance of the Barbados Marketing Corporation — Senator Tull knows this, Senator Miller knows this — you could have advised Senator Tull if you knew he was on the wrong line, or Senator Goddard, ...

Asides.

SENATOR F. G. SMITH: Do not mind that. The point is that under Section 7, and I am giving you just one Act, of the Barbados Marketing Corporation, it says that "the Corporation shall appoint an employee at such remuneration provided that no salary in excess of such sum as the Minister may determine and notify in writing to the Corporation shall be assigned to any post without the prior approval of the Minister." This is no new provision. This is in the Development Bank Act and all of those.

Mr. PRESIDENT: Senator Tull did not make that point.

SENATOR F. G. SMITH: Well, I withdraw it.

Mr. PRESIDENT: You have to make that comment in respect to what Senator Goddard said, because he was going down the wrong lane.

SENATOR F. G. SMITH: I would like to assure Senator Goddard, and I apologise to Senator Tull, that this provision is nothing new. And, after all, you are dealing with Ministers who are more concerned with this country than a lot of people who shout their concern. The Training Board Fund is a matter to which the Government is as committed as the Barbados Labour Party was, and there is no doubt about it. The people thought so anyhow, and that is important.

I would like, on behalf of the Government side and the Government, to assure Senator Goddard that these provisions are the standard provisions in statutory corporations. A Minister would be an idiot to fix a salary so low that he could not get a proper officer for

a particular post in which a certain expertise and skill and knowledge is required. You have to trust somebody, the Government has to survive, and the Government obviously will be guided with the advice of the board in fixing a salary which is requisite for the particular post. But this provision is nothing new.

As to whether the National Training Board, and training generally, should be under the Minister of Education or under another Ministry is again another governmental matter. It is a matter of opinion. The Ministry of Education deals with education. The Ministry of Education has responsibility, as far as I know, for the Community College, for the polytechnic and for almost every aspect of training, and I would suggest, even though I have never pretended to be an educationalist, that training of people for a particular skill would be best placed in the Ministry of Education, provided that the Ministry of Labour, Tourism and, the other Ministries are allowed to make their inputs, and provided the necessary research and projections are done to indicate to the Ministry of Education from time to time in what areas particular skills are necessary and needed.

Whether it is under the Ministry of Labour or the Ministry of Education is no big thing. The point is whether the best training schedules and the best training facilities are made available to the young people of this country so that they can avail themselves of the opportunities which are being afforded. One Senator might feel it would be better under Labour, another Senator might feel it would be better under Education, but the Government does not work in isolation, and it is not a Government of Trade or a Government of Education. There is collective responsibility in the Government of Barbados, and a Minister, as those who have served in the Cabinet would know, is not a law unto himself, he has to work in conjunction and in collaboration with his colleagues. Therefore, whether it is under Education or Trade or whatever it is, anything affecting the training of young people, especially if money is involved, has got to come to Cabinet, so there is no big thing in whether they are being stymied.

Senator Shorey said he hears — he did not want to use emasculation — that they are being stymied. Stymied in doing what? The Government has got a responsibility for every statutory board, for every institution that the Government sets up. If the people want to run it as they want to run it, let them run for Parliament, but as the President says, the Ministers are the ones who have got to make decisions and stand or fall by them.
3.20 p.m.

A board is not a law unto itself, it has to get directions. Again, the section in the Act which says "The Minister may give directions of a general or specific nature to the Board" is common to all statutory boards. You cannot have a board being an independent republic,

appointed by a Minister and then running wild. The Minister must have some say. It is he who has to bear the brunt of the criticisms of the public when something goes wrong.

Let us start understanding what the Constitution of Barbados is about. You have a ministerial system of Government with Ministers responsible for certain statutory boards. The boards must take directions from Ministers because the Ministers have to answer in Parliament. The Minister must have some say in the type of staff and the technical skills which the staff must possess, so the Minister must have a right to make appointments and approve staff at a certain level of these statutory boards.

Also, whether it is to do with education or whatever the Prime Minister has to decide, and if the Prime Minister decides that this board should be under education, that is the end of it. This is what the Constitution again says. He can assign any department to any Minister. The Government is not acting *ultra vires* the Constitution. The Government is acting in the best constitutional position in the country. You may have your opinion, I might have mine, but once you conform to the supreme law of the land, what criticism can there be?

There is nothing wrong with putting this money in the Consolidated Fund. I feel that to avoid any manipulations or any dealings with monies of the public, it is the safest place, so that if there are vouchers to pay out, you can account for them. If I want to go in for rumours, I would say that I heard that they paid out some levies willy-nilly as they liked. But I would not say so. I know that when money goes in the Consolidated Fund, you have to have a warrant to take it out. You have to have proper parliamentary approval for taking it out. Parliament has to come down with a Finance Bill at the end of the year.

The Government's taxpayers' money is best safeguarded by payments into the Consolidated Fund. The provision about the Minister having a say is nothing unusual. And whether it should be the Ministry of Labour or the Ministry of Education is a matter for the Prime Minister, and he can make that decision.

SENATOR THE REV. CANON I. McK. JONES:
Mr. President, I have listened to Senator Smith with a lot of interest, but, in my view, he still has not answered. The question I would like answered is this, what has happened to the way the training has been done over the last three or four years that would make this new Administration feel that that system was bad and therefore it should go back into Education rather than let it be run by labour? It would seem to me, from what I heard from other members, that the system was working extremely well. If a system is working well, it would appear to me that whatever Administration it is, you do not trouble that. If it is going badly, then you do something about it.

To say that the Government has power to put it wherever they like, nobody is questioning whether it has the power. The question I am asking is, if you find something is working well and is suitable for the country you are living in, what reason do you have to change it? I really cannot understand the argument for saying because it is to do with training, you put it under Education, because I believe that in the Ministry of Labour you will get better training for the work world than you would get through formal education. I believe nonformal education for that kind of thing is better than formal education. As Senator Smith says we all have personal opinions, but I certainly would go on the side of saying that the training for jobs, training people for work, should be done by people who are in work rather than the people who are in school in a formal education system.

SENATOR N. W. BOXILL: Mr. President, I rise, as a former Minister and a chairman of a board, to point out to Senator Goddard, to gild the lily, as you may say, because Senator Smith made it explicitly clear, what the position is.

When I was a Minister, this same law was applied that a board could not appoint somebody to a job that was above, I think, \$600 a month. At that time salaries were low. This is nothing really new.

A Minister is not going to tell me if I am employing a gardener, what salary I have to pay the gardener. That is a matter for the manager of the particular board, because all these boards must have managers. These things are laid down by law. As Senator Smith said, all of this has gone into the Constitution of Barbados. You are protected by that.

Senator Jones asked, if something is going good, should you change it? Senator Jones is a Reverend. Does he think that everybody goes to the Anglican Church? People go to the Pentecost and so on. Why does he not tell them, come in here, I teach more about God than they do out there. Everybody has their own views, and we feel that it should go under Education. If you say that this should not go under Education, it should stay in Labour, should the polytechnic, because the polytechnic is training people for work, be under the Ministry of Labour? It does not work so.

It is not only that. It is the Prime Minister's prerogative to put these things where he feels best to put them.

Aside.

SENATOR N. W. BOXILL: But you cannot question that.

(Aside: You cannot?)

SENATOR N. W. BOXILL: You can question it, but it would not make any difference. It is the Prime Minister's prerogative.

(Aside: Senator L. R. TULL: What is wrong with your mouth?)

SENATOR N. W. BOXILL: Do not take me literally. Not that you cannot, you should not.

(Aside: SENATOR L. R. TULL: Oh yes?)

SENATOR N. W. BOXILL: You should not, because whether you question it or not, it is going to remain the same thing. Your questioning it cannot change it. Vote against it, if that is how you feel about it. I challenge you to vote against it.

(Aside: SENATOR B. A. MILLER: You are going downhill.)

SENATOR N. W. BOXILL: I am not wasting any time with them.

Mr. PRESIDENT: I am just going to remind you that you are in here.

SENATOR N. W. BOXILL: You do not have to remind me, Sir. I am an old hand in this. These are juniors to me and are catching votes. You do not have to remind me how to deal with them.

I am just trying to correct Senator Goddard. He read Clause 10:

"The Board shall not without the prior approval of the Minister,

(a) assign a salary in excess of such sum as the Minister determines and notifies"

This is laid down. You cannot go and give a gardener \$600 or anybody. It has moved up now from \$600, but the whole point is that you were not allowed to appoint people to certain offices without the prior approval of the Minister if the salary had exceeded X amount of dollars; That is all it was. But this does not mean the Minister has to go down to the place, as was happening.

When the Barbados Labour Party was in power, I have said this in here repeatedly, Tom Adams appointed everybody, from the gardener up to the Governor-General.

Aside.

Mr. PRESIDENT: Order.

SENATOR N. W. BOXILL: Yes, Sir.

Mr. PRESIDENT: Why mention that?

SENATOR N. W. BOXILL: I am only talking about what happened before, Mr. President.

Mr. PRESIDENT: You do not bring people's names into the debate. You are not outside. That language is for outside of the Senate. It cannot go down in the record that you said in the Senate that Tom Adams appointed people. I cannot have that. You will have to withdraw those kinds of remarks.

SENATOR N. W. BOXILL: I withdraw those remarks. The former Prime Minister of the Barbados Labour Party Government used to appoint everybody.

Aside.

SENATOR N. W. BOXILL: I am saying "of the Barbados Labour Party". You did not have any former Prime Ministers of Barbados. You only had one.

(Aside: Two)

SENATOR N. W. BOXILL: One. Who was the other?

(Aside: St. John.)

SENATOR N. W. BOXILL: I did not remember him.

Laughter.

SENATOR N. W. BOXILL: He did not last a dog watch.

Aside.

SENATOR N. W. BOXILL: The President does not want me to call names, so that is how I am putting it. He appointed everybody.....

Mr. PRESIDENT: But Prime Ministers do not appoint anybody in the Public Service, so there is no point in making that statement so stubbornly in the Senate. You may make it outside, but not here. It cannot go down in the Senate that the Prime Minister appoints people, because you know they cannot appoint people.

Senator Boxill, do not go on on that any more.

SENATOR N. W. BOXILL: You do not want me to go on on that side?

Mr. PRESIDENT: No.

SENATOR N. W. BOXILL: Oh, there must be another side for me to go on then.

Laughter.

(Aside: SENATOR B. A. MILLER: I told you you were going downhill!)

SENATOR N. W. BOXILL: I am not going down any hill.

I am going to abide with what the President said, but I know that appointments were made by the other Government from the gardener up to the Governor-General. We are not doing that now. We are only safeguarding and, as Senator Smith has pointed out, putting the money in the Consolidated Fund is the most secure way, because I know, and I am sure all the members of the Senate know, where a particular Minister went to a bank and borrowed money.....
3.30 p.m.

(Aside: SENATOR L. R. TULL: Don't hit Don so hard!)

SENATOR N. W. BOXILL: Who said anything about Don?

Mr. PRESIDENT: Senator Boxill, be careful about this. Do not become too emotional.

SENATOR N. W. BOXILL: I am not emotional. I am not talking about any Don. He knows I am not talking about any Don very well.

Mr. PRESIDENT: I am not.....

SENATOR N. W. BOXILL: I am not talking with you, Sir. This is not for your ears.

Mr. PRESIDENT: Well, you will have to go outside, then.

SENATOR N. W. BOXILL: The Honourable Senators on the opposite side know as well as I do that a certain Minister took money to do certain jobs without coming to the Legislature, and when the late Prime Minister mentioned it in a Budget speech, I saw on TV a lot of cross talk when Tom asked who, and they pointed across and said he knows about that. He knows about it, too, so do not let them try to fool anybody. This is to safeguard people using public funds for their own benefit. There is nothing new or wrong with this, Senator Goddard.

Senator Shorey mentioned the word "stymie". I learned that word years ago. You stymie in golf when you manage to play one ball in front of the other man's ball, it means you are blocking his path. I do not see there is any blocking of anybody's path, Senator Shorey. I cannot tell you what kind of words to use, because

you are supposed to be an educationist and I believe you should know more about the English language than I do, but I am sure you cannot say I am wrong with the word "stymie", because stymie means to block, and we are not trying to block anybody's path in this, it is just that the Cabinet decided that this should be replaced where it formerly came from. Whether you approve or disapprove, this is how it is going to be until such time as when we are no longer in power. If you see fit to move it, all right, that is your privilege, but as it is now, we have seen fit to put it back where it originally was and there is where it will be.

I beg to support this Resolution, Mr. President.

SENATOR T. A. PRESCOD: Mr. President, I believe I have some slight idea of the reason for making changes from one Ministry to another. There are two schools of thought. One is the International Labour Organisation, which is a U.N. body, and there is another one called the United Nations Educational, Scientific and Cultural Organisation. One of these organisations sees the National Training Board and vocational training and so on as pursuits in an academic path, and I believe that the other one sees it as training for persons to meet the contemporary demands of the technical world.

The other aspect of it is the shifting of the financial control from actually the board into the Consolidated Fund. I believe this is strictly for the purpose of having greater efficiency over the control of the finances of the National Training Board and other institutions of this kind. I think the matter is quite clear.

I think the most important thing about it is that we cannot go on in an *ad hoc* way dealing with this particular institution. We have to take into consideration the importance of effectiveness and the kind of programmes which we are implementing within the National Training Board to meet the technical and vocational training that is necessary to bring about efficiency in Barbados. The Training Board has been playing a very important role and this Government has no intention of disrupting the role it is playing.

There are cases in Barbados known to many persons where employers took advantage of the contributions made by the National Training Board to some of the trainees, and in some instances employers dismissed staff and took the opportunity to replace members of the staff with trainees to defray some of the expenses that they were having with the cost of the employment. So it can be clearly understood if — and I am not so sure about this, but I believe that a suggestion was made — there is a withdrawal of the contribution from the Training Board to some of the employers in Barbados in this respect, but this Government has no intention of making any change from this particular position.

There might be some difference in the philosophical direction, and that probably led, too, to bringing the matter under the control of the Ministry of Education, but the Barbados Labour Party cannot lay any claims to not at some time attempting to disrupt this service, because I remember that there was some consideration by the Prime Minister who pre-deceased Prime Minister Barrow. He wanted to merge the Training Board with the Defence Force to force the young people in Barbados — and it was mandatory at the particular time, too, it was not optional — all young people of a certain age, underneath the Defence Force for control.

There are times when there will be changes in direction. If we change the administrative direction, there is nothing wrong with that. It all falls in line with the policy of the Democratic Labour Party, so they cannot claim that administrative changes will not be made and that they are finding difficulty in understanding why we are making changes at this particular time. I believe that what is primarily of importance is that the programme is conducted in such a way that we are actually meeting the demands of the technical world so that we will be able to compete with other persons outside of Barbados in the future.

SENATOR B. A. MILLER: Mr. President, I am greatly concerned about the matter before the Honourable Senate. The National Training Board and where it is located, whether it be in the Ministry of Education, the Ministry of Labour or wherever else this Government sees fit to locate it, has to do with the Government's basic philosophy on education and training. I have spoken at length on this matter in this Chamber before, and I do not intend to pursue that in today's debate, but I am deeply concerned about the National Training Board.

I am deeply concerned, in the first place, about the composition of the board. The Chairman of that Board is a man, Mr. President, who has gone into — what is it? — voluntary liquidation, not once, not twice, but three times in this country. The Government has seen fit to appoint a man to chair a board who by his very example as a business person cannot be an incentive or an example to young people. That is number one.

The Deputy Chairman of the Board is no less a person than the wife of the Minister. This Board, as we are told, is now within the portfolio of the Ministry of Education, and the Minister saw fit to appoint his wife, who has no particular qualification one way or another, to be the Deputy Chairman of this Board. So straight away, the composition of the board, as far as I am concerned, is suspect.

SENATOR F. G. SMITH: On a point of clarification.

the Ministry of Education. That is one of the early moves we see in this new Government, and at the same time you have the Prime Minister, again in this same address to the National Training Board seminar, talking about.....

3.50 p.m.

Mr. PRESIDENT: Senator Miller.....

SENATOR B. A. MILLER: It goes on, Sir, I am trying to find the place.

Mr. PRESIDENT: I have given you a wide scope already. You are dealing with the second reading of a Bill to amend an Act that is already on the Statute Book, and we are not now passing a law for the first time. It is an amendment to the Occupational Training Act. I have given you a wide scope. I do not intend to let you cover the whole horizon. You have to come within the confines of the second reading. I will not allow you to roam all over the sun as justification for dealing with this. You have to stick to the matter. The rules say so, kindly do so.

SENATOR B. A. MILLER: I am on the National Training Board.

Mr. PRESIDENT: The Bill is: (a) to make it mandatory for all training contributions collected under this Act to be paid into the Consolidated Fund;

(b) to make other amendments to the said Act consequent upon the foregoing; and

(c) to re-enact certain provisions of the Act which were omitted from the revised edition of the Laws of Barbados which came into force on 1st March, 1987.

SENATOR B. A. MILLER: You read very well, Sir.

Mr. PRESIDENT: I do not want to read very well. I know you can read better. I want you to confine yourself to what we are debating and not run all over the sun. Stick to that please.

SENATOR B. A. MILLER: I have it in hand.

On the matter of the payment into the Consolidated Fund, I am also deeply concerned about the monies being collected under the Training Levy. The Government is so confused, the Government is so without any clearly defined policy in respect of training, that all of this money cannot be put to use for the training of young people in Barbados to self-employ themselves, or to make them employable young people who might be able to enter into the work force, and I am concerned that because of this lack of policy, or policy direction if there is a policy, there is such an excess of monies in the

Training Levy that it goes to subsidise the Consolidated Fund, because that is what it amounts to. I am deeply concerned that this Government would see fit to raise Training Levy funds to put them into the Consolidated Fund to finance, and let me use an illustration, a trip by the said Prime Minister and a whole army of advisers and other Ministers to prop him up from St. Lucia to Barbados and from Barbados back to St. Lucia, for an exclusively political event, all at the taxpayers' expense.

Mr. PRESIDENT: What is that to do with this?

SENATOR B. A. MILLER: This is what it is to do with, Mr. President. I am worried if monies that people like you and me are paying in to the Training Levy are finding their way into the Consolidated Fund to pay for that kind of jaunting. That is what I am wondering, and other Barbadians are wondering about it, too.

Mr. PRESIDENT: The Consolidated Fund goes into all kinds of other things in Barbados.

SENATOR B. A. MILLER: Absolutely. I am deeply concerned to know if monies of ordinary Barbadians, raised by way of the Training Levy and paid into the Consolidated Fund, are not helping to pay the salary of a second Minister of Education.

Mr. PRESIDENT: You cannot challenge the Consolidated Fund: It is not an illegal fund.

SENATOR B. A. MILLER: I am not saying it is an illegal fund. I am saying that the monies raised for the Training Levy are raised for the purpose of training, but we are not sure that when these monies are paid into the Consolidated Fund, when they come out they pay for training at all. They go into the great melting pot.

The truth is that the Government can hardly afford to pay civil servants when the month comes. The Government cannot meet its expenses. With all this talk we see in this morning's paper about tax refund credit, there are people who are looking for tax refunds from last year that have not got them yet. And let me tell you now, Sir, I do not want mine in the form of any credit, I want mine in cash, because I do not think the credit or the certificate or whatever they give me is ever going to be worth the paper it is written on.

Mr. PRESIDENT: This has nothing to do with the amendment. This is not a political platform.

SENATOR B. A. MILLER: I know I am straying on that, Sir.

Asides.

SENATOR B. A. MILLER: Who says that I do not work? How do you know I do not work? I worked last year, you know.

Mr. President, I know that this is not a political platform. I have that at my disposal tonight.

Mr. PRESIDENT: Senator Boxill, are you going to allow the Senator to debate?

SENATOR N. W. BOXILL: I am sorry, Sir.

Mr. PRESIDENT: Senator Miller, go ahead.

SENATOR B. A. MILLER: I am making a serious point. There is great concern about this question, and the concern rises, too, from the fact that this Government had said when it was in Opposition that all levies would be paid into the Consolidated Fund. We find it passing strange that they now see fit to pay some levies into the Consolidated Fund and not others. There has never been any explanation of that, and the whole principle of payment into the Consolidated Fund is a worrisome one.

I, unlike Senator Smith, have no difficulty about the *bona fides* of the financial management of the Training Levy Fund or any other levy fund. Each of the funds is covered by legislation and has a management structure which permits the fund to be administered in a proper fashion, and where there is default, for relevant action to put it right to be taken; so I do not have the fears that Senator Smith has. I am not saying that there cannot be abuses. There can be abuses. I can remember clearly an abuse by a Minister in a former Administration which steps had to be taken to correct, but I do not have that fear.

The fear I have is that, in fact, these levies amount to another form of taxation, and that the purpose for which the levies are raised is going by the board. We see that some of the functions of the Training Board have gone to nought. We see that some of the apprenticeship schemes have come to an end. All I can see is the Chairman of the Board in the newspaper, as is his custom, taking receipt of this piece of equipment and the book and the other piece of equipment and the other book. That is common, that happens all the time. Every chairman and every Minister can have that pleasure. But I am not hearing a word as to basic policy. I am not hearing a word as to the numbers coming out of, or going into, the Skills Training Programme, and I am not hearing a word about the future of the programme. I am deeply concerned about it, because we still have an education system in this country, Mr. President, which does not fully yet admit of, in my view, a sufficiently large training component for those young people who are still at the secondary and tertiary levels of education. That is a separate and distinct thing now from the people outside in the co-called world of work, or on the fringe

of it anyhow, and who need to be trained or retrained. That is a completely different kettle of fish.

I am deeply concerned about what is the status of the Skills Training Programme and about its future. In our time, this Training Levy was raised, and to a large extent it went to finance the establishment of the Skills Training Programme and the resuscitation of the Apprenticeship Scheme in this country. I am not aware that that is now the situation. So where is the money going? In other words, we would want to have a statement, starting with a clear policy guideline, on occupational training and on skills training, and the Skills Training Programme, as we knew it, in particular.
4.00 p.m.

Thank you, Sir.

SENATOR A. MORRISON: Mr. President, I should like to reply briefly to some of the points raised by various speakers. First of all, I should like to make the point that the National Training Board is a statutory body, and we decided to put those funds into the Consolidated Fund because we have experienced, since we came to power from last May, various problems with various levies which have been put in different places.

The Transport Levy has not yet gone into the Consolidated Fund because there were serious problems with accounting measures and we have had to delay putting that in the Consolidated Fund.

The National Insurance has been handling a lot of funds out there and there is bare confusion in that place at this present moment. The House will have to deal with this later on.

This is an attempt by Government to make sure that these funds are well protected, in that there must be some kind of record for the disbursements of these funds. And we are aware that the scheme has been expanding. The scheme was started by the Barbados Labour Party, and the fact that we are pursuing the matter at this stage and that we have increased the levies is in further commitment to the training of young people of this country. The Minister of Finance in his last Budgetary Proposals increased the levy to put more funds into that scheme and we intend to carry out our duties to the young people of this country. We also intend to be able to have a fund set up whereby each one of us will be responsible to the Auditor-General for the audit of those funds and we will have statements coming forward from the Auditor-General from year to year on how those funds were disbursed.

There is no question of these funds being used for any other purposes apart from what was intended. As a

Tull, as he said, and had every intention to mention it to Senator Miller.

Mr. PRESIDENT: I think that Senator Miller will appreciate what there is behind why she was not consulted, not that there was any design.

SENATOR B. A. MILLER: You, Mr. President, know whereof you speak. I do appreciate but not in the way that you think.

Mr. PRESIDENT: I would like to say it was not Senator Lewis' intention not to consult you then, if I may say so. That was what he explained to me.

The question that the Senate do now adjourn until Monday, 13th July at 11.00 a.m. was put to the Senate and agreed to.
4.15 p.m.

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THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1986 - 91

THE SENATE

Monday, July 13, 1987.

The Senate met in the Senate Chamber, Public Buildings at 11.15 a.m.

PRESENT

His Honour Senator F. L. Walcott, O.B.E., (President);

His Honour Senator M. deL. Jordan, (Deputy President);

Senator the Hon. Sir James Tudor, K.C.M.G., (Minister of Foreign Affairs) (Leader of the Senate);

Senator the Hon. L. V. H. Lewis, (Minister of State, for the Civil Service);

Senator A. Morrison;

Senator N. W. Boxill;

Senator D. A. Comissiong;

Senator V. C. Fraser;

Senator A. J. N. Phillips;

Senator T. A. Prescod;

Senator B. A. Miller;

Senator L. R. Tull, Q.C.;

Senator the Rev. Canon I. McK. Jones;

Senator C. A. Blackman, Q.C.;

Senator P. Y. Forde;

Senator J. S. Goddard;

Senator Dr. L. L. Shorey.

Prayers were led by Rev. Dr. Lionel Crawford.

Mr. PRESIDENT: The Senate is in session.

QUESTIONS TO MINISTERS

SENATOR Dr. L. L. SHOREY: To ask the Leader of the Senate:—

1. Is the Minister aware that students' examination marks can be legitimately combined only if such marks are first standardized?
2. Is the Minister also aware that normal standardization of marks requires that all sets of marks be converted to scales with the same Mean and the same Standard Deviation?
3. Will the Minister state whether these generally recognized procedures were used with marks resulting from the 1987 Secondary Schools Entrance Examination?
4. If such procedures were not used, will the Minister please state what procedures were used to permit legitimate combination of candidates' marks in this year's examination?

PUBLIC BUSINESS

ROAD TRAFFIC (DRIVING TEST FEE) (VALIDATION) ACT, 1987

Order No. 1 was called — To move the second reading of a Bill to validate the collection of fees paid to the Licensing Authority in respect of driving tests carried out by or with the approval of the Authority from the 1st April, 1982 to April 7, 1987.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the Road Traffic (Driving Test Fee) (Validation) Act, 1987, arises partly out of the Budgetary Proposals of 1987 presented by the Minister of Finance on April 7.

After the Order relating to the increase of drivers licences and the annual registration fees for motor cars had been made, the Attorney General gave an opinion that there was no existing authority for the collection of any driving test fees since the revocation of the Road Traffic Act of 1952, nor for the collection of increases in driving test fees since 1982.

It has, therefore, become necessary for a Bill to be introduced in the Other Place which would validate the collection of fees paid to the Licensing Authority in respect of driving tests carried out by or with the approval of the

Authority during the period April 1982 to April 1987, and this Bill seeks to provide the authority for the collection of those fees during the period April 1982 – April 1987.

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

SENATOR A. J. N. PHILLIPS: Mr. President, I rise to support the Bill before the Honourable Senate. However, I do have an observation to make in relation to drivers licences.

I think I am right in saying that the age at which you can now acquire a driver's licence is 16. However, on the other side of the scale, there is no legislation, as far as I know, which causes the cessation of the holding of a driver's licence. It is my considered opinion, and I am saying this from my own experience, that as individuals get older, their reflexes get slower, and in some instances, they may also be inhibited by some physical disability, yet they can continue to drive vehicles, in my opinion, to the disadvantage of the general public.

I would like to suggest to the relevant authorities that we look very carefully at drivers licences in respect of a period when we should re-introduce tests. I feel, Sir, that after age 70 a person should be subjected – I am not saying they should not drive – on a yearly basis to a driver's test to see that at least their physical and mental capacities permit them to be citizens who can duly use the roads without any problem to other persons. I feel that such a test should be given free, or for a very small fee, but it is a matter that should be looked at, because those of us who are getting on in age, as we put it, know quite well that there are reflexes and general body changes which could interfere with you as a driver.
11.25 a.m.

Thank you, Sir.

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

On the motion of Senator the Hon. L. V. H. LEWIS, Mr. PRESIDENT left the Chair and the Senate resolved itself into Committee on the Bill, Senator M. deL. JORDAN in the Chair.

COMMITTEE

Clauses 1 and 2 were called and passed.

On the motion of Senator the Hon. L. V. H. LEWIS, Mr. CHAIRMAN reported the passing of one Bill in Committee and Mr. PRESIDENT resumed the Chair and reported accordingly.

On separate motions of Senator the Hon. L. V. H. LEWIS the Bill was read a third time and passed.

BANKING (AMENDMENT) ACT, 1987

Order No. 2 was called – To move the second reading of a Bill to amend the Banking Act, Cap. 322.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, this Bill seeks to restore the obligation of banks with respect to the publication of balance sheets which they were required to produce before the coming into operation of the Banking (Amendment) Act, 1986–9.

With the amendment to the Banking Act, 1986 – 9, banks were required not later than four months after the close of each financial year, or such longer period as the Minister may in any particular case permit, to publish in the *Official Gazette* and in a daily newspaper circulating in Barbados, and also to forward to the Minister, copies of their balance sheets, profit and loss accounts and the full and correct names of the directors of the bank.

When the matter was further investigated by the Central Bank, it was realised that the expatriate commercial banks would have been put to substantial expense to hire auditors to provide accounts to their Barbados operations alone, and because of the financial hardships which would have been imposed by carrying out of a special audit, it was decided that the situation which existed when the banks were encouraged to come to Barbados should be restored, hence the revocation of that section of the Act and this amendment. Those banks will now be required to produce their final accounts in respect of their global operations. The Barbados-based banks will still produce those of their Barbados operations alone.

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 the motion of Senator the Hon. L. V. H. LEWIS, Mr. PRESIDENT left the Chair and the Senate resolved itself into Committee on the Bill, Senator M. deL. JORDAN in the Chair.

COMMITTEE

Clauses 1 to 4 inclusive were called and passed.

On the motion of Senator the Hon. L. V. H. LEWIS, Mr. CHAIRMAN reported the passing of one Bill in Committee without amendment, and Mr. PRESIDENT resumed the Chair and reported accordingly.
11.35 a.m.

On separate motions of Senator the Hon. L. V. H. LEWIS, the Bill was read a third time and passed.

TREASURY BILLS AND TAX CERTIFICATES ACT, 1987

Order No. 3 was called – To move the second reading of a Bill to provide for the issue and payment of treasury bills and specified tax certificates.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, in the course of his presentation of the Budgetary Proposals on April 7, 1987, the Minister of Finance introduced and obtained approval from the House of Assembly for two new instruments which will assist individuals and corporations with their tax planning, and which, according to him will be useful sources of investment.

In the first place, he introduced a Tax Reserve Certificate, the purpose of which is to provide an instrument which is attractive to, and convenient for, individuals as well as corporations to enable them to set aside a portion of cash against their future tax liability and use these certificates to pay tax when it falls due. Certificates will bear interest at a rate which is agreed upon at the date of issue. Interest will be payable for each complete month from the date that the certificate is issued, but not exceeding 24 months, and will be free of tax.

In addition, it is proposed that a Tax Refund Certificate be introduced, which certificate would accommodate those persons who are entitled to a refund of Income Tax and who wish to invest those monies immediately. These Tax Refund Certificates can be encashed at any time after a period of six months from the date of issue, but not exceeding five years. They will bear interest at a rate determined each fiscal year, and the interest accruing on these Tax Refund Certificates will be free of Income Tax.

With the recent establishment of a Stock Exchange, it is considered that these types of investment opportunities will facilitate those persons who are interested in maximising on the return of cash which may become available to them from time to time.

Mr. President, I need to mention that this is a money Bill which will not be committed after the second reading.

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

SENATOR L. R. TULL: Mr. President, the Minister in introducing this measure, following the example set by the Honourable Minister of Finance in the Other Place in the Budgetary Proposals, sought to put these two certificates, the Tax Refund Certificate and the Tax Reserve

Certificate, in the category of investment. I assume, Sir, that there can be no argument at any time your money is put in savings in the form of investment, but I would have thought that what is more obvious is that the Minister of Finance is trying to borrow money from the taxpayers of Barbados to meet the gap between revenue and expenditure.

There is \$48 million due in tax refunds this year, but the Government has not got the money to pay it in tax refunds. I am in no doubt at all about it. All the reports that have come out have shown that the Government's revenue position is in a very parlous state.

I remember a year ago when there was a suggestion that income tax refunds might be converted into Government bonds. The idea was actually floated, but there was a public reaction against it. One may accept that that is a normal and legitimate strategy on the part of a Government, if you contemplate doing something that might not be popular, you float it unofficially to see how the public reacts, and if the public does not react in favour of doing it, you do the necessary foot work to keep yourself out of that wave of unpopularity. But it was vehemently denied at the time by the Government that they gave any consideration to converting Income Tax refunds into Government bonds. I will not carry the argument any further. If the Government says that is the position, well, we accept it.

But this is another way of doing exactly what one said the Government was trying to do last year. This Tax Reserve Certificate is a way of getting money by the Government in the form in which they have, bonds or other Government paper, and in the form of the Tax Refund Certificate, it is a way of holding people's money, because there is no money to give them back.

I understand, Sir, that no Income Tax refunds have been paid yet this year. The Minister can, as usual, get up and say that I am making vicious innuendos. I am only saying what I have heard. I know that I have not got mine, and I have not met anybody who has got theirs. And I understand that the position is that the Government is not in a position at the moment to find the money to pay the refunds, nor is the Government ready to initiate this scheme of Tax Refund Certificates and Tax Reserve Certificates, because the Government has made the pronouncement before it has done its initial homework. So even the work as to preparations of the forms and the determination as to the process that must be followed in this particular area has not been done.

I should like the Minister to tell us when does interest start. Somewhere it says, at the time of issue. If the issue is done in October, does that mean that the Government has got your money for several months without paying interest? I want that explained, because from what has been said in the Other Place and in the documents, those of us who have to advise the public on

Senator Goddard pointed out, any village idiot will understand this. It is optional, and every time I am going to admonish Senator Tull and Senator Miller, because they are not dealing with children in here.

Every time Senator Tull, in particular, gets up and talk about any financial measures, he is always referring to this largesse that was given back to the commercial sector. The commercial sector is not coming from Germany or they are not Italians or Chinese, they are Barbadians. It was given back to Barbadians, not to Chinese or Japanese, so do not come in here ranting and raving about giving back to this body. I am sure that they must be getting some, too!

Asides.

SENATOR N. W. BOXILL: Will you protect me from her, or am I to protect myself?

Mr. PRESIDENT: I will do that.

SENATOR N. W. BOXILL: Mr. President, the suggestion is optional to those who want to take part in it. In 1985, I got back my Income Tax returns in December. Deny that! So what is the big fuss about if we are coming up with a ruse to take somebody? Nobody is not coming up with a ruse. It is optional. If somebody wants to take a Tax Certificate, he can do so. If they do not want it, they will get their taxes, so do not keep on harping.

The Minister of Finance has said repeatedly that the country is in a better position financially today than it was under the Barbados Labour Party at any time. But every time they get up and they open their mouths — and they are supposed to be responsible people — mind you, the English I have used — “supposed to be”, I am not saying that you are — they are trying to create the impression in this society that the Democratic Labour Party has corrupted or bankrupt this country. I have not heard that any of the stores in town have had to close under us because of the tax imposition which we have imposed. The honourable member seems to forget the reason the Foundry had to be closed. Imagine the Central Foundry, which then became the Barbados Foundry, which was amalgamated, had to be closed down because of the taxation which was imposed by the Barbados Labour Party. Do not deny it! You cannot!

Asides.

SENATOR N. W. BOXILL: It was the tax imposition, Mr. President. The people could not afford to pay. They carried up the National Insurance. I know of a friend who was paying something like \$15 out of his taxes for National Insurance, and it went from that under the Barbados Labour Party to \$175 a month. Talk about

taxation! They taxed this country almost out of existence!

I remember a Budget Speech, I think it was in 1984. I listened very carefully to the then Minister of Finance, and you know he had this way of smirking when he thought he had put something on the people, and he was boasting how he had given back, I think, \$24 million to the taxpayers. But when I worked it out, he took something like \$30 million in one sweep in National Insurance. 12.05 p.m.

When they came into power, pensions used to be paid from the Consolidated Fund, Mr. President, and the Barbados Labour Party put pensions to be paid out of the National Insurance, which was never set up to pay pensions. They mismanaged this country and now have come to tell me about taxation or somebody with ruses? If you talk about a ruse, that was a ruse. I had it all worked out. As a matter of fact, I have it here now, but I do not want to hold up the Senate with this. They talked about giving the old age pensioners this raise, which was a small pittance when I finished working out the number of old age pensioners there are, and then in one swoop he hit the National Insurance for \$30 million. And you did not hear one peep come out of them. They sat down, all agreed and smiled, and he drank water and looked across at the cameras and smiled because he thought he was putting a trick on somebody. But you can fool some of the people some of the time, but you cannot fool all of the people all the time, and there is a time when things will catch up with you.

Do not let honourable members come in here and think they are misleading anybody or can bamboozle anybody into believing that the country is in such a state of bankruptcy the Government cannot pay people their Income Tax. The Income Tax will be paid very shortly.

Asides.

SENATOR N. W. BOXILL: I cannot afford to take any certificate.

Mr. PRESIDENT: Order! Senator Boxill, please address the Chair.

SENATOR N. W. BOXILL: Mr. President, you and I have been in the House of Assembly together and we know how to deal with these people. We are old hands. This is what you call a parvenu, a neophyte. I do not understand what is going on, so let them dissipate themselves.

The point I am trying to make is that when they were running the country, when they were mismanaging the country, they imposed taxation on this society that

was unbearable. I have reminded them here already, and I will remind them again, that it was not the backraise that caused the people to get rid of them in 1986, it was that the people were fed up with the way they were mis-managing their affairs. Taxation was burdensome, it was killing. The honourable Senator on the opposite side, who is supposed to be a man in commercial business, would know that what I am saying is true. They were relieved when they got rid of the Barbados Labour Party and their method of taxation.

I am supporting the Bill and they will support it, too, I defy them to vote against it. You cannot vote against it because you know what we will do with you. Senator Miller got up to get her little piece because Senator Tull got a little piece. Senator Miller feels she is not going to let Senator Tull out do her because tomorrow there will be big headlines that Senator Tull said so and so, only the headlines, but when you read the article it is something completely different.

I am in favour of the proposal that has just been put before the Senate.

SENATOR D. A. COMMISSIONG: Mr. President, I noticed with great interest that although Senator Miller got up and railed for a few minutes about the Bill, she concluded by saying that, of course, they were supporting it. That was very interesting. It did make me pause, because if the objection or the observation that Senator Tull was making is that, ultimately, this is something to benefit the business interests in this country to the disadvantage of the workers, that that is the ultimate thrust of Government policy, and then Senator Miller says that she supports this, I would have to think about that.

There are a few observations I would like to make on the matter. One is that there is definitely an investment component in the measure. The Minister of Finance did clearly say in the House of Assembly that the Tax Refund Certificate will earn interest at the rate of 7 per cent, whereas the Tax Reserve Certificate would earn interest at 6 per cent, and I think that this compares with interest at the rate of approximately 3 per cent at the commercial banks. So clearly there is an investment component to the measure, and citizens of Barbados who choose to take advantage of it will be indulging in an investment and they will be earning greater interest than they would ordinarily have been able to earn on that money.

Over and above that, Sir, I think the major point that must be made here, and it was made very well by Senator Goddard, is that this is a matter of choice. This is nothing that the Government is forcing down the throats of anybody. The taxpayers of this country are given a choice, and I think that this is really the crux of the whole matter.

There is nothing wrong in a Government, even if we took Senator Tull's objection that the prime reason for this measure is to assist the Government in meeting its revenue obligations, asking its citizens to support the Government in any of the Government's obligations or undertakings. The real test of any Government in terms of what type of support it can expect from citizens is whether the citizens perceive that that Government is operating in their interest and in their welfare. We really get back to the fundamental question: are the people of Barbados satisfied that the Democratic Labour Party Government is operating in their best interest and is properly looking after their welfare? If they are satisfied that that is the case, then the people of Barbados will be only too happy to support a measure like this by investing in Tax Refund Certificates and Tax Reserve Certificates, and that is really what it all comes down to. Government is not forcing anything on anybody, it is giving them an option. If you believe we are doing good for this country, support us and invest in us, and even if that money is to be used for daily operations — and I do not accept that it is to be used to finance Government's current expenditure and the day-to-day running of Government — there is absolutely nothing wrong with that, once the people of Barbados are satisfied that the Government is acting in their interest and is supportive of the people's welfare.

I think that too often the members of the Opposition tend to focus so much on the tree that they lose sight of the woods, and I think that their attitude towards this is another example of that, although I must say that, at the end of it all, Senator Miller did say that they are supporting the measure, so I suppose we really do not have much quarrel with that. I suppose that with a by-election coming up on Thursday, you feel a need to criticise, but in spite of it all, you say you support us. We are thankful for that vote of support by Senator Miller and the Opposition.

12.15 p.m.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, taxes were paid or due on April 30. It is less than three months ago, and yet a member of the Opposition, a Senator on the other side, knows that \$48 million is due in tax refunds. All I can say is he knows more than the Commissioner of Inland Revenue about the quantum of refunds that are to be paid.

(Aside: SENATOR L. R. TULL: The Minister said so.)

SENATOR THE HON. L. V. H. LEWIS: In addition, we hear that tax refunds from 1986 are still outstanding. We will probably hear that some from 1985 are also outstanding. Those are the sorts of things that people say. Whether they can prove them and substantiate them is another matter.

Aside.

SENATOR THE HON. L. V. H. LEWIS: We will bring proof when proof is available.

With regard to the comment about the rate of Income Tax, what Senator Comissiong said is correct, the Minister did give some rates of tax. What is also a fact is that any instruments which are used for the purposes such as these will have to carry a rate of interest at the time of issue which bears a relationship to the existing market rates. So that whereas 6 per cent or 7 per cent would have been stated, when October comes and there is any change in the interest rates in the country, the 6 per cent may go up or it could come down.

(*Aside:* SENATOR L. R. TULL: That is not what the Minister of Finance says.)

SENATOR THE HON. L. V. H. LEWIS: The Minister of Finance did say that the Tax Reserve Certificate will carry a rate of 6 per cent per annum and that the Tax Refund Certificate will carry a rate of 7 per cent per annum.

(*Aside:* SENATOR L. R. TULL: He did not say anything about it being variable.)

SENATOR THE HON. L. V. H. LEWIS: The Minister of Finance has also indicated, and has given strict instructions to the Department of Inland Revenue, that refunds payable in respect of this year are to be paid within six months, and that six months comes up in October. We hope that the persons who are waiting on these refunds to pay their taxes in November and December will have no problem.

The Minister has also indicated that if they are not paid by that date, October 31, any refunds payable after that date will attract an interest rate from the day after the six months expires. So whatever happens, persons who have their tax refunds delayed for any reason will get some sort of interest return on that delay.

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. L. V. H. LEWIS, the Bill was read a third time and passed.

INCOME TAX (AMENDMENT) ACT, 1987

Order No. 4 was called – To move the second reading of a Bill to amend the Income Tax Act, Cap. 73.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the Budgetary Proposals included certain amendments

to the Income Tax Act. We just dealt with the Tax Refund Certificate and the Tax Reserve Certificate.

It is proposed that, effective from income year 1987, covenants, except for those with charitable organisations, will be restricted to 5 per cent of assessable income, that dividend credits will be reduced from 50 per cent to 15 per cent, that the Building Allowance for commercial buildings be reduced from 2 per cent to 1 per cent, and that contributions by private sector companies to the Special Tourism and Marketing Fund will qualify for benefit under the Market Development Allowance section of the Income Tax Act. We need to give effect to the Budgetary Proposals which were introduced in the House of Assembly on April 7, and it is proposed to give retrospective effect to certain 1986 Budgetary Proposals relating to the grant of tax concessions.

The matters which the Bill seeks to deal with therefore, include the tax credits, payment by Tax Reserve Certificates, the Tax Refund Certificates and expenditure on market research and development. There is a lengthy section dealing with that in the Bill. There is also expenditure incurred in the tourist industry, which was part of the 1986 proposals, and certain overseas construction projects and qualifying professional services.

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

SENATOR B. A. MILLER: Mr. President, the matter before the Senate concerns giving retrospective effect to tax concessions given in Budgetary Proposals of 1986 and to give effect to the proposals of the Budget of April 1987. The first thing that has to be said, of course, is that the tax concessions of 1986 have long since been overtaken by what Senator Boxill calls the impositions of 1987, the largest ever single imposition in the history of Barbados, in excess of \$60 million.

I listened with interest. Senator Boxill said that the previous Administration taxed Barbadians so unmercifully that that was the reason why the Barbados Labour Party lost the Government in May of last year. The Barbados Labour Party never apologised for the taxes it had to impose. I remember that the late Prime Minister, Tom Adams, once said in the Other Place that he had been told by the World Bank officials that the tax burden that Barbadians carry was heroic. That was the word used to describe it. But in our Administration Mr. President, the people could see what they were getting for the taxes that they paid. Oh yes! Whereas in other parts of the Caribbean when you pressed a switch electricity did not come on, when you pressed one in Barbados it came on, when you turned the tap in Barbados, water came out of it. There were road repairs, road improvement. I do not need to go on at any length about the quality of life in Barbados which attracted so many of the international and regional organisations to set up their headquarters here in Barbados. It is something

that is known everywhere in the world. People choose to come to retire in Barbados because of the quality of life here. We paid our taxes, and nobody pays taxes easily, but we paid them secure in the knowledge that we would see value for money.

But today, the situation is different, while saying exactly what Senator Boxill said in here this morning, that the Barbados Labour Party punished Barbadians with taxation, the Democratic Labour Party's Administration, this present Government has taxed people in April of this year. This is nothing that happened a long time ago, this has just happened. We are now feeling the bite and the sting of those tax proposals, of those budgetary measures. The levies are hurting people in their pay packets every week and every month, particularly those people at the lower income earning end of the spectrum in Barbados, and this Bill is to amend the Income Tax Act to give effect to those proposals.

12.25 p.m.

I heard mention from the mouth of the Minister who introduced this, Mr. President, about the special fund in the tourism sector. Again, so that we do not mislead ourselves and thereby mislead other people, particularly the citizens of Barbados, we have to be clear that the \$3 million in this special tourism package is not a Government measure. That is a device adopted by the private sector in its own self-interest, and you will note, Mr. President, that the private sector was very careful not to allow the Government to administer it. So generous was the Government in July last year to the private sector with the reduction of the Corporation Tax from 45 per cent to 35 per cent, \$22 million which we were told was supposed to trickle down to generate jobs, generate expansion in the commercial and in the industrial sectors, that the private sector could set up its own fund.

Of course, none of the trickling down has happened, that was paper theorising. The late Mr. Barrow was right about that, these university advisers are theorists. It has simply not worked like that, and the \$22 million has gone into the hands of the 2000-odd shareholders in the 19 public-owned companies in Barbados, and that \$3 million is being carved out of the \$22 million by those companies in the private sector who have an interest in tourism, the shops in Bridgetown who are interested in selling duty free goods.

This is invidious, I suppose, but when you come into a place like this, you have to be open to everything. There is nothing that has not been said about me. Senator Goddard has to know that in respect of the sale of No. 1, Broad Street — the Barbados National Bank saw fit to buy No. 1, Broad Street so that they can say they bought No. 1, Broad Street — part of the deal is that the owners of No. 1 Broad Street will continue to have the hog share of the square footage on the ground floor

where they will expand many times over the duty free operation, which duty free operation will earn more than what the whole of Harrison's No. 1, Broad Street used to earn before, because that is the big money spinner. And it has nothing to do with the other duty free operation on the other side of Broad Street opposite the Canadian Imperial Bank of Commerce, and so the old owners of No. 1, Broad Street are smiling all the way to the bank, because the duty free operation on the ground floor is going to outsell what that whole store was making. All the loss leaders, all the departments in that department store which were losers, are now off their backs, now off their books, and they can concentrate on that operation. They are going to make more money than they ever made before, plus they are going to get the however many million dollars that the Barbados National Bank is paying them for the building, the real estate in Broad Street.

It is Harrison's, Cave Shepherd and all the other interests in Bridgetown who are making money out of duty free operations, who are making money out of tourism — they are business men, I do not blame them. If I were in their line of business I would be part of this package, too — they have carved out \$3 million to protect their own self-interest. And they are right not to let the Government administer it, because they would never see the end of it. Like everything else the Government touches, that would go into reverse.

You hear about the magic touch. Somebody from antiquity — Senator Tull would know — had the golden touch, Midas, everything he touched turned to gold. Everything they are touching now is going into reverse. As I said in another place last night, Sir, developing countries, the developed countries, everybody is looking to go forward, but Barbados is now looking to go backward and beginning to take steps backward.

It is cause for great concern, and I know that there was serious difference of opinion between the Minister of Economic Affairs and the Minister of Finance, and I wait to see now if that deep difference will continue to exist between the new Minister of Economic Affairs and the current Minister of Finance about the way in which the economy of this country must be structured and the way in which it must be managed. That is the key, that is the essence, that lies at the root of this to-ing and fro-ing that we are seeing on the part of the Government; one decision today, tomorrow morning another decision. You are selling this today, you are buying it tomorrow. They just bought No. 1, Broad Street. For all we know, Mr. President, we may wake up tomorrow morning to hear that they have sold it. Since when now do Governments get into the retail business? They are going to go back now to opening the supermarket down at the BMC? I mean, Governments do not get into retail business. I am very deeply concerned about these matters.

We have to give effect to these budgetary proposals, but the Opposition could not let this pass without advising honourable members of the Senate, and Barbadians at large, that the sting is yet to come. There is another measure coming up and there will be more to say on this then.

Thank you, Sir.

SENATOR C. A. BLACKMAN: Mr. President, the Bill before us has introduced a new Schedule to the Income Tax Act which was not part of the original Act, which details the types of measures on which allowances may be granted in respect of research and development, market development, allowances for the tourist industry and tax credit in respect of foreign currency. It is with respect, Sir, particularly to the amendments which are going to be made under sections 12D and 12E that I wish to address my remarks.

The ambit of the legislation it seems to me, would pose some strain on the Commissioner of Inland Revenue to effectively monitor the claims which may be made under this section. The Act as drafted says that the expenditure equal to 150 per cent of the actual expenditure may be deducted for a whole list of things, and it places particular emphasis on the expenses of employees based overseas, advertising expenses outside of Barbados, expenses of bringing potential customers to Barbados, exhibiting at overseas exhibitions, and the like. My concern is, will the Commissioner of Inland Revenue have the necessary machinery or manpower to effectively monitor the genuineness of these transactions? It occurred to me when I perused the legislation that, unless effective checks and balances are put in place, the opportunity for some leakages or seepage can occur.

Aside.

SENATOR C. A. BLACKMAN: I hold the view, Sir, that when you put certain laws on the books you should look ahead and provide the means of ensuring that what you want to achieve is achieved and not, as a result, create the artificial loopholes that may undo what you want to do.
12.35 p.m.

When the Minister of Finance introduced his Budgetary Proposals in April, he made a point of stating that the level of unemployment remained unacceptably high and it was part of the Government's proposals that that situation should be alleviated. However, Sir, I do not see any matching criteria in this legislation for a response by anyone to benefit from these proposals to initiate employment. There is nothing in the Act that says that you cannot keep on claiming year after year your expenditure on market research and development. It can be an on-going thing, every year you claim it.

The Act says that there should be deducted an amount equal to the actual expenditure. But we know that by the time the Commissioner gets around to deal with it, you have already had the benefit of it in your submission on your return and the country has not got a benefit. I am of the view that this legislation, essential though it might be in giving incentives, should have a component of requiring a matching response from those who are supposed to be using it for advantage.

The other point I wish to make is that technical legislation of this kind — and I say it is technical, because it deals with amendments to an Act that you have sometimes to go back and pick up the old Act and see what impact it is going to have — I think will benefit from a different kind of procedure than the one we pursue in here, which is almost, I would not like to say adversary, but one which certainly does not permit the sort of constructive dialogue that would be essential to achieving the best end.

I would like to think that this legislation, like the one that went just a while ago and the one that is to come, should be scrutinised by a standing joint finance committee of Parliament which can look at the legislation in detail and perhaps, call in the professional bodies who may have some input to make. I did not speak on the last measure, but when I was researching it and discussing it with some of the accountants in Bridgetown, the general consensus was that there was some ambiguity in the language that could be looked at. That is the sort of thing which could be looked at if we had a different procedure for looking at legislation of this kind.

The final point is that the Income Tax Act enacted some 19 years ago, in 1968, was regarded as a modern piece of legislation and it was an improvement of what had happened in the past. But this Bill which we are dealing with today constitutes, if I am accurate, the 33rd amendment to that Act since it was passed in 1968. It is now almost totally knocked out of shape from what the original measure was, and I think it is time to bring a new Act before Parliament. Perhaps, we could separate the Act into one dealing with corporation legislation and that dealing with personal and other related taxes. In any case, it has now reached the stage where it is a bit of a nightmare to find what the amendment in 1979 did on the one of 1976 and what the 1986 has now done to what happened in 1985. I remember some while ago sitting down with someone trying to determine whether one amendment had put in an "and" and the next one put in an "or". It made a lot of difference to what the impact of it was supposed to mean.

I think that both the need for a review of the legislation as well as a revised procedure in term of committees on this matter would help improve the legislation we look at. Within the year of being here,

Bills that were passed when I first came to this Honourable Chamber last June have already been amended within that year — I can think of at least two — and that is because the review process, the necessary examination in detail to make sure what was wanted was not in place. I think that if the parliamentary time is not unnecessarily going to be burdened with matters of this kind, there ought to be a more detailed look at the way how we go about our parliamentary business.

Thank you.

SENATOR L. R. TULL: Mr. President, one of the basic principles of law is that it must be certain. What I have heard in respect of this measure, in fact, this whole set of taxation measures, leaves me in some serious doubt as to what is right and what is wrong to be the law and what is not going to be the law.

I read somewhere that the Minister of Finance made reference to \$48 million in tax refunds this year, but the Minister who spoke earlier in this debate disputes that figure. I have heard the Minister of Finance say that the interest to be paid on a Tax Reserve Certificate is to be 6 per cent and a Tax Refund Certificate 7 per cent, but the Minister who spoke earlier today disputes these figures. What he says is that it can be variable according to the prevailing rate of interest at the time. You cannot run a Government so, you cannot deal with the public in important financial matters in this way. The Government must sing in unison and we must know exactly what are the details of these measures when they are brought before us.

I must again make the point — I can be criticised until the cows come home, I will say it repeatedly — that the Government is inconsistent in its financial and economic policies. For instance, in this measure there is provision for an adjustment to the dividend credit rate, so on the one hand we are hearing that the Government is trying to encourage investment and is coming up with a series of measures to promote investment, but in the same breath, not the following breath, the Government is saying we will reduce dividend credits in terms of Income Tax because the Government wants to raise another \$700 000 in revenue. That is what it has done, because this measure says reduce dividend credit in relation to Income Tax, I think it was 50 per cent, to 15 per cent, or something to that effect. On the one hand you talk about encouraging investment, and that sounds good, and you come right after that and say do not worry about investment. People are getting too much money on dividends, so let us get back some and the figure is \$700 000.

Something was said earlier about the Stock Exchange. It is very easy, Sir, to throw in whatever is the

current catch phrase into almost any argument or debate in this island. It is my submission, Mr. President, that the Securities Exchange has absolutely nothing to do with the Government holding peoples money. What has that got to do with Government savings through investment in Government paper. So I do not understand why the statement was made in relation to Tax Reserve and Tax Refund Certificates, because there are no shares in public companies that are being traded in Stock Exchange. It is more relevant now to this measure, because this measure deals with dividend credit.

12.45 p.m.

The Government, is fostering, quite rightly, one of the enlightened policies of the Barbados Labour Party Administration. Sometimes when you hear them boasting about it, you would think that it had something to do with them. The Securities Exchange Act was passed by the Barbados Labour Party, and all the plans were made for the setting up of the operation of the Securities Exchange before the Government changed. It was met with criticism from the then Opposition, the present Government. As a matter of fact, Mr. President, when one takes a look at Hansard, September 1982, we see that the current Prime Minister and the current Attorney General voted against the Securities Exchange Act. I do not recall what was the reason, I know I was astounded when I sat there and saw them vote against it. But now the Minister of Finance talks about the Securities Exchange as if it were his special baby.

In respect of this particular Bill and "expenditure on Market Research and Development," I see in the Second Schedule: "payments to an agent outside Barbados primarily and principally engaged in export sales promotion on behalf of the taxpayer. Commissions on sales are not allowable." This relates to agents engaged in these things.

I raised a question at a previous sitting of this Chamber of the payment of \$½ million to an American citizen living in Atlanta, and who is designated an Honorary Consul, paid by the Barbados Development Bank. When I sat down, Sir, asking for an answer to that, there was none forthcoming from the Government. The Minister refused to say a word. The Government still has not replied to it, not a word we have heard from the Government on it.

What we have seen is a rather facile statement made by an unnamed official of the Barbados Development Bank, a paid notice by an official of the Barbados Development Bank, who talks around the specific statement. It has nowhere in that statement been denied that someone in Atlanta is being paid \$½ million a year, and I am still calling on the Government. Last week I talked about allaying fears. I do not want any fears allayed anymore. I want Government to give a categorical reply to the allega-

tion that one man is being paid \$½ million in Atlanta, Georgia.....

Mr. PRESIDENT: I do not think that has anything to do with the Income Tax (Amendment) Act.

SENATOR L. R. TULL: Very much so, Sir. Here it refers in Second Schedule, Part I — Expenditure on Market Research and Development — "Payments to an agent outside Barbados primarily and principally engaged in export sales promotion on behalf of the taxpayer."

Mr. PRESIDENT: This is something you said was to do with another body, the Development Bank which you were talking about.

SENATOR L. R. TULL: The Development Bank's money belongs to the people of Barbados.

Mr. PRESIDENT: All the banks' monies, but you cannot rope in everything, Senator Tull, you know that. I am not hard on you, but do not try to bring everything within the second reading to say everything is Government money, and the Consolidated Fund means everything. You cannot have debates like that. I do not have to press that. I think you are aware of the Standing Orders. I have not made them; they are there. You have made the point, I have given you a little latitude, but I feel you have to haul in the kite sometime.

SENATOR L. R. TULL: The ball has already hit the boundary!

Mr. PRESIDENT: Do not hit it anymore.

Aside

SENATOR L. R. TULL: I am advised by Senator Boxill to sit down and I will.

Mr. PRESIDENT: You do not need Senator Boxill to give you advice.

SENATOR L. R. TULL: But occasionally I accept his advice.

SENATOR THE HON. SIR JAMES TUDOR: Mr. President, it is not within my general or specific knowledge what arrangements statutory corporations may have with citizens of other countries and for what purposes. I can categorically state, however, that there is no Honorary Consul of the Government of Barbados in Atlanta. I wish to make that clear. There may conceivably be arrangements between IDC, the Tourist Board or whatever with individuals contracted by them to perform

in certain circumstances for those bodies. In respect of the diplomatic and consular arrangements, I wish to say that we have no Honorary Consul in Atlanta.

(*Aside:* SENATOR L. R. TULL: The President of the Atlanta Airlines is the man.)

SENATOR THE HON. SIR JAMES TUDOR: He is not our Honorary Consul.

(*Aside:* SENATOR L. R. TULL: That is a red herring.)

SENATOR THE HON. SIR JAMES TUDOR: No, it is not a red herring. I am sorry, Sir. The Senator has been a Minister of Foreign Affairs and he knows what I am talking about. If you accuse us of having an Honorary Consul in Atlanta and I tell you that we have none and you do not accept that, you are calling my credibility into judgment.

SENATOR THE HON. L. V. H. LEWIS: Last week, Mr. President, I refrained from getting into discussion on a matter which was one, obviously, of flying a kite. It has again surfaced.

The facts relating to this alleged payment of \$½ million were stated in the newspaper ad put out by the Barbados Development Bank, which is a statutory body in its own right. It has nothing to do with the Bill before us, it could have been applicable last week to the debate on the Barbados Development Bank.

The BDB has a contractual arrangement to pay to a consultant US\$58 000 per annum. The individual is not the president of any airline in Atlanta. My understanding is that it is another member of the family of the President of the airline referred to, so there is apparently a name floating around which Senator Tull pulls together with another name without identifying that they are separate and distinct persons.

In addition, the Barbados Development Bank revealed that it has several consultants, and that the amount which Senator Tull heard about was the amount which they had provided to pay all of their consultants, not one consultant.

His information, partial, when culled together, misrepresented as it was, makes no case whatever.

I am certain that Senator Tull knows that these agencies go out and do their own business, that the Government, even the Minister responsible for a Board, Development Bank or IDC or what have you, will have to know about it, but it is not a matter of general interest for Cabinet even.

We will take the points made by Senator Blackman into consideration. I will faithfully represent them to the Attorney General. I am certain that a case can be made for taking the old 1968 Act and producing a new Income Tax Act. Indeed, several years ago, when I had the privilege of serving in the Ministry of Finance, I used to be terrorised by the fact that the amendments year after year could often put you in trouble if somebody failed to update the legislation, and it is a tedious task updating it year after year. A former Attorney General, as Senator Tull was, I am sure would appreciate the need for some new legislation, and I will certainly communicate that fact to the Attorney General and to the Minister of Finance, because it is a finance matter more so than a law matter.
12.55 p.m.

SENATOR THE REV. CANON I. McK. JONES:
Mr. President, I must say I am a little bit uneasy about a remark I just heard from the Minister of State for the Civil Service when he said that some statutory boards can make use of functionaries and that even the Minister himself may not be very knowledgeable about the expenditure and that sort of thing. It sounded very strange to me.

Aside.

SENATOR THE REV. CANON I. McK. JONES:
You said they do things even unknown to the Minister, or that is what I thought I heard.

Aside.

SENATOR THE REV. CANON I. McK. JONES:
They cannot control it. Well that seems very unwelcome to me.

The next thing I am not happy about is that I do not think an answer has been given to the allegation that Senator Tull made about this US\$250 000, Bds\$500 000, being paid out, for from what I have heard it would seem to me that what he said has some real foundation, because the Minister for the Public Service or Minister of the Civil Service said that the statutory bodies like the Tourist Board and IDC have several consultants. If the consultants they have cost this Government \$500 000 a year, that still seems to me to be exorbitant, and I believe something can be done about that.

SENATOR N. W. BOXILL: Mr. President.....

Mr. PRESIDENT: I am not having a debate on this matter. This matter is not before us now. I am very polite but this matter has nothing to do with the second reading, so I am not having a debate on this. I was very kind to Senator Jones, but this has nothing to do with it. It looks like sometimes some Senators think that as soon as they remember something they can raise it. This is a debate Assembly, this is not intrigue.

SENATOR N. W. BOXILL: Mr. President, I am on a point of order affecting this Chamber.

Mr. PRESIDENT: Yes.

SENATOR N. W. BOXILL: I do not want to steal anybody's thunder, but I wanted to draw it to your.....

Mr. PRESIDENT: Your point of order.

SENATOR N. W. BOXILL: I just.....

Mr. PRESIDENT: Raise the point of order.

SENATOR N. W. BOXILL: The point of order I want to make is to draw to the attention of members of the Senate that after the Minister has replied, you cannot get up then and make a speech.

Asides.

SENATOR N. W. BOXILL: I am not reflecting on the Chair. I am drawing it to members' attention.

Aside

SENATOR N. W. BOXILL: No please!

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

On separate motions of Senator the Hon. L. V. H. LEWIS, the Bill was read a third time and passed.

CORONERS (AMENDMENT) ACT, 1987

Order No. 6 was called — To move the second reading of a Bill to amend the Coroners Act, Cap. 113.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, this is a money Bill which seeks to amend the Coroners Act to provide for an increase in fees payable under the Act. The real purpose of the legislation is to authorise retroactive payment of fees to the coroners, so it is proposed that the Act come into force on August 1, 1985.

The fees which are payable to medical practitioners and persons possessing special qualifications are approved from time to time by the Minister responsible for Legal Affairs. For almost two years negotiations and discussions have been taking place regarding the upgrading of these fees. It is now proposed that the fees become effective from August 1, 1985, and to do that, it is necessary to amend the Coroners Act.

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

SENATOR L. R. TULL: Sir, one thing that troubles me about the Coroners Act is that the same magistrate who works as a coroner in respect of a dead body may be, and in most cases is, the very magistrate who hears criminal and traffic matters arising out of an inquest that he has done.

Inquest are not like trials. There is no question of what is hearsay and not hearsay evidence. The coroner has full and wide powers to ask any question of any witness to get an idea of what happens in respect of any inquest which he is carrying out in respect of a corpse. So he gets into his record, and indeed into his head, a lot of information — I cannot call it evidence, Sir — that would be inadmissible in a court of law were it a trial, though that coroner who is a magistrate is quite often called to operate, wearing his other cap as a magistrate, to hear a case that may be dangerous driving, manslaughter or any other traffic or criminal matter after he has already heard the matter as a coroner.

Perhaps we have reached the point in Barbados where it is necessary to appoint a fulltime coroner, not just use a magistrate to work as a coroner, who has responsibility for the total jurisdiction of Barbados so that all these enquiries into sudden, unnatural and violent deaths and so on, and bodies found in gullies and other places, that a coroner deals with all this, can be dealt with by one person. There are more than enough coroner's inquests in Barbados to keep a coroner occupied full time.

One may ask, like Senator Boxill, why did we not do it when we were the Government? To tell the truth, it never occurred to me then.

Laughter.

SENATOR L. R. TULL: I know that you get put off by brutal honesty. But the fact that I am now, Mr. President, back in law practice and seeing things happen again, it has occurred to me. In addition to that, my mind has been wonderfully concentrated on this particular thing because of "a case that is pending before the court." While I was in Government it did not strike me, Sir, because I was not seeing it day-to-day. But it would

be a very useful thing, and I am making the suggestion to the Government, with a little bit of politeness, that it may be necessary at this time to leave the magistrates to do the magisterial work and appoint a coroner to do the coroner's work.

The final point I want to make is that facilities for a proper inquest are unsatisfactory. Again, I am not casting any blame, but we certainly need a lab, what do you call it?

(Aside: A forensic laboratory.)

SENATOR L. R. TULL: A forensic laboratory. It is not a new thing. It has been mentioned by the Commissioner of Police and the Police Department and the Government Pathologist to both Administrations. I believe that perhaps the time is ripe, if we can find the resources, to establish a proper forensic facility in Barbados to make the work of the coroner, when he is carrying out his inquests, far more easy than it is at the moment.

1.05 p.m.

I thank you, Sir.

SENATOR N. W. BOXILL: Mr. President, I would like to join Senator Tull in what he has just said. He made sense this time.

What I would like to enquire from Senator Tull and the others is if it is necessary for the coroner to be a legally trained person? Before you used to have magistrates who were not legally trained, and they were sending people to prison. I do not think it is necessary to have a legally trained person to be a coroner.

I agree with him 100 per cent, that the time has come to have a full time coroner, and the powers that should be invested in the coroner are that he could call for an inquest, enquiry into anybody's death. I think the time has come for that, but I do not know the legal aspects of it and I do not know if it necessarily must be a legally trained person. I feel that you can have somebody doing the job who has some commonsense and who may be a quasi-lawyer or something like that.

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

On the separate motions of SENATOR THE HON. L. V. H. LEWIS, the Bill was read a third time and passed and cited as the Coroners (Amendment) Act, 1987.

SUSPENSION OF SITTING

SENATOR THE HON. SIR JAMES TUDOR: Mr. President, I beg to move that this sitting be now suspended for one hour.

Mr. PRESIDENT: There being no objection to the motion that this sitting be now suspended for one hour, this sitting is now suspended.
1.10 p.m.

ON RESUMPTION

Mr. PRESIDENT: The Senate is in session.

CONSUMPTION TAX (AMENDMENT) ACT, 1987

Order No. 5 was called – To move the second reading of a Bill to amend the Consumption Tax Act, Cap. 63.

SENATOR A. MORRISON: Mr. President, the Minister of Finance in his Budgetary Proposals on April 7, 1987 announced the following changes in the structure of the Consumption Tax:

- (a) an increase in the basic rate from 5 per cent to 6 per cent;
- (b) a new regime for charging a tax on extra-regional imports which are in direct competition with regionally produced garments, with the tax on local and regional items being fixed at 6 per cent while extra regional imported items are liable to a tax of 30 per cent;
- (c) a special rate also for a number of items from extra regional sources which are either in competition with local non-sugar agricultural produce or are of a luxury nature;
- (d) an increase from \$10 per litre to \$12 per litre in the tax on whiskey, brandy, gin and vodka;
- (e) an increase in the tax on cigarettes from 35 cents per five to 40 cents per five cigarettes; and
- (f) a reduction in the rebate allowed garages on the importation of motor cars from 20 per cent to 15 per cent.

The Attorney General has prepared the necessary legislation to give effect to the proposals which I just enumerated.

The rebate to the garages has been given by the Minister in exercise of his discretionary powers under section 31 of the Consumption Tax Act, Cap. 63, which allows him to remit the tax in whole or in part.

In addition, Sir, the Minister of Finance has taken the opportunity (a) to remove from being subject to the

tax, on the recommendation of the Ministry of Trade, Industry and Commerce, items falling under tariff heading number 03.02 as follows: fish, dried, salted or in brine, smoked fish, whether or not cooked before or during the smoking process; (b) bulbs, tubers and other live plants and cut flowers produced locally or in the Common Market. This decision was taken in consultation with the Ministry of Agriculture.

He has also taken the opportunity to validate the collection of the tax on oil and air filters for motor vehicles, tariff heading number 84.18.1 during the period subsequent to the Mini-Budget of October 23, 1984.

The then Minister of Finance had proposed a reduction in the tax on these items from 15 per cent to 5 per cent, but in the Statutory Instrument, S.I. 1984 No. 185 drawn for this purpose, the tax was removed altogether. However, the Customs Department continued to collect the tax at the rate of 5 per cent.

He is also going to incorporate into one document the various amendments made to the Schedule to the Consumption Tax Act since its introduction in 1980 to facilitate Customs administration of its provisions.

Sir, I beg to move that the Bill to amend the Consumption Tax Act, Cap. 63 be now read a second time.

SENATOR B. A. MILLER: Mr. President, we have before us in this First Schedule some 73 pages of items and goods, which will attract the increased Consumption Tax. I have had the opportunity to comment on this matter outside the Honourable Senate, but this is, properly, the first opportunity that I am having to say what I am about to in respect of the Consumption Tax and the last Budget, for the record of this House.

The Minister of Finance has levied, imposed, what amounts to an across-the-board Sales Tax – it does not matter really what language he used, Consumption Tax or otherwise – on divers, hundreds, of items contained in these 73 pages. But the particular items that I want to comment on this afternoon are the local and regional fruit and vegetables, which, according to the Financial Statement and Budgetary Proposals from the Minister of Finance made on April 7 this year, in his narrative the Minister sought to and did impose Consumption Tax on certain items to be found in Appendix “A”.
2.20 p.m.

In the original Appendix, of which I have a copy, it was clear that the Minister of Finance proposed to enforce consumption taxes on local and regional fruit and vegetables. When it was pointed out to the Minister by the Shadow Minister of Finance on the other side of the Other Place that, in fact, that is what the Budgetary Proposals amounted to, a Consumption Tax on local and regional fruit and vegetables, there was an outcry, and

a second and amended copy of Appendix "A" was then circulated to honourable members. A copy was circulated to me as well at the time. In fact, I received my copy of the second Appendix "A", the alternative Appendix "A", however it may be described, at the same time that honourable Members in the Other Place received theirs, and I maintained then, and I maintain now, Sir, that the law of the land is the Budgetary Statement made by the Minister of Finance on April 7, 1987.

The law and the Standing Orders of the Other Place are very clear on the Budget Debate. The Budget, it is unlike other documents, in that it does not have to be agreed upon and voted by Members of both sides. The Budgetary Proposals become the law as soon as they are enunciated by the Minister of Finance. In fact and in truth, it is not the Budget itself which is debated. A Resolution is normally brought which seeks to compliment the Government for the way in which it is handling the economy and words to that effect, and that is what is debated. The Budgetary Proposals themselves, which have already become law as soon as the Minister has enunciated them, are almost exclusively discussed during the course of debate on the Resolution, but the Budget itself is not debated in that way.

So what I am saying is that as soon as the Minister of Finance read his Budget, of which Appendix "A" was a part, that became the law. When at a later point in time, days later, the Minister of Finance replied to speeches made during the course of the Resolution and then, some two day later, sought to introduce a second Appendix "A", it continued to be my contention that that Appendix was improperly put before the Members in the Other Place and was not part of the law, that the Appendix, which is the second Appendix, that we are dealing with today, I still feel is not properly before us, and that it is incumbent upon the Government by legislation, because it cannot be done in any other way, to amend the law so that the Consumption Tax is removed from the local and regional fruits and vegetables.

All that is happening is that the Government is declining to enforce the law, they are not enforcing the tax in respect to these local fruits and vegetables that the Minister of Finance spoke about when he made his Budgetary Proposals. But that does not mean that at some future date, as early as tomorrow, tonight, next year, whenever, the Government is not in a position to enforce the law in respect of the Consumption Tax that, in my view, even now attaches to local fruit and vegetables and regional fruits and vegetables.

I have a great deal of difficulty with this, because I think that, technically, this Schedule is improperly before us. This is something that was sought to be amended after the original Appendix "A" had become the law of this land.

In the legislation before us, the Objects and Reasons for this Bill are clear: (a) to amend the Consumption Tax Act, and (b) — and this is where I have a difficulty — "to validate the collection of consumption tax on certain items." The items contained in Appendix "A", which items are described now in this first Schedule, and the rates of tax attaching thereto, are not the items described by the Minister of Finance and attaching as an appendix to his Budgetary Proposals, and I still think that it is incumbent upon Government by legislation, as I said, to properly amend this, unless it is the deliberate intention of the Government that consumption taxes should be continued to attach to local and regional fruit and vegetables while they, in their discretion, choose not to enforce the law in respect of the Consumption taxes of those particular items. I am deeply concerned about it. It is a dangerous and serious misguided precedent that has been set, Mr. President. It means that in the future attempts may well be made to amend Budgetary Proposals in this fashion, perhaps because nobody has spoken out against it. Well, I have spoken out!

These items in particular, tomatoes, string beans, pigeon peas, carrots, cucumbers, in a category called "Other", give cause for much concern. I really would want to be more than reassured at this point. It is really not enough to reassure me, and through me the people of Barbados, that the Government never intends to enforce this, and that we will not in the future, either the middle or distant future, ever see the Consumption Tax enforced in respect of these particular items.

2.30 p.m.

Aside.

SENATOR B. A. MILLER: That is not a sufficient reassurance to give me. The people who are the Government now may not be the same people who are in Government. The composition may not be the same and you may have people of a different persuasion, and when I say "of a different persuasion," I mean in respect of this matter before us. It may be the same DLP Administration, but there may be different people in the composition, there may be a different Minister of Finance. We do not know what attitude may be taken, and we may wake up one morning and find that, indeed, local tomatoes and cucumbers attract Consumption Tax. It would work great hardship on the people of this country.

These consumption taxes, Mr. President, are already working hardship on the people of this country. Wholesalers and retailers, and this is not unusual, have already begun to take advantage of some items. It is true there cannot be very many items which do not fall into these 73 pages, but even so, wholesalers and retailers, ever since April of this year, ever since this last Budget, have sought to unreasonably increase prices even on goods which do not attract Consumption Tax. We are seeing

in the shops and supermarkets of this country, Sir, a serious upward movement in the cost of goods.

Inflation has begun to spiral. We live in a country where inflation has been in single digits for years. At May of last year, inflation was running at less than two per cent in this country, and now we have a different situation. That is the price we are paying in this country for the kind of Budget which we saw in July, followed by the last Budget, because they are part and parcel of the same.

I would not be surprised if we find ourselves in a position where we see a supplementary Budget before the year is finished. I see Ministers are looking up in surprise, but it would not surprise me, because I do not think that the Ministers who inhabit this Chamber are brought into the confidence of the Minister of Finance or of the Minister of Economic Affairs. It is highly likely that in the face of spiralling oil prices, and in the face of spiralling inflation in this country, we may well find ourselves with a supplementary Budget before December of 1987. Hansard will recall that I said that. I do not want to see it happen, but do not let us say that it cannot happen. We may well see a supplementary or Mini-Budget of one kind or another. There is more than one way to skin a cat, and there are many ways and means of introducing what amounts to Budgetary Proposals without calling them "Budgetary Proposals."

These consumption taxes, Sir, especially considering the wide range of goods they cover, do not augur well for the cost of living and, consequently, the quality of living in this country. You go in the supermarket as I do on a regular basis and you can see already the movement in prices. An item that was selling at 85 cents in May of this year costs \$1.50, and another \$1.30, in the supermarket that I go to. There is nobody, man, woman or child, who goes into the supermarket or the shop on a regular basis who does not have at least one story of that sort.

The Budget of 1987, Mr. President, brought a rude awakening. The give-away Budget of July 1986 was the cause for a lot of rejoicing in many circles. Everything that had been promised from the political platform in April and May appeared to have been given, and then in April of this year not only that which was given in July was taken away, but even from those to whom nothing was given in July, from them too much was taken away.

A lot of people went out on May 28 last year and voted for \$15 000.

(*Aside:* SENATOR N. W. BOXILL: That is not true!)

Mr. PRESIDENT: Order. Address the Chair and not Senator Boxill.

Senator Boxill, would you allow Senator Miller to speak without interruption?

SENATOR B. A. MILLER: The \$15 000, Mr. President, meant different things to different people. There were some people, do not doubt it, who genuinely believed that on the morning of May 29, or soon thereafter, they would get \$15 000 cash in their hands. Yes, I can tell you of employers who can relate to me workers turning up the Friday after with pay packets wanting to know about the \$15 000. I am not saying that was a wide cross-section of people, but there were some people who interpreted it in that way. There were other people, larger in number, who believed that what the statement meant was that the minimum wage in this country would move from normal to \$15 000. There are many people who thought that and who still think it, Mr. President.

Asides.

Mr. PRESIDENT: Senator Boxill, these kinds of things have nothing to do with the debate. Let the debate go on. Let Senator Miller make the points she is making.

SENATOR B. A. MILLER: The point I am making is that the Barbados Labour Party was the party, and still is the party, of tax reform in this country. In 1976, when we assumed the reins of Government, a domestic maid working for \$32 a week had to pay tax on it under the DLP. Remember that! It was the Barbados Labour Party that brought the people of this country to the \$10 000 limit in the Budget of April, 1986. It was a long way that we came.

Mr. President, the Barbados Labour Party started this process of tax reform in 1976. I do not deny that the tax burden carried by the people of this country was heroic, to use the words of a World Bank official, but as I have said earlier today, we saw what we were getting for it. But the Democratic Labour Party came into Government on the clear understanding, or so we thought that they were going to lessen the tax burden on people, but in this Budget, the proposals of which are before us today, we saw the heaviest tax burden ever in one year visited upon the people of this country. Over \$60 million! Unprecedented!
2.40 p.m.

Two hundred and fifty million dollars borrowed in less than a year by this Government! Unprecedented by any Government in Barbados! That ceiling has never been reached in one year by any Government. Never in one year! Name the figure! Name the year! We have never seen borrowing of this scale!

And the implications are grim, Sir, because the rate of unemployment is not falling, it is rising like the rate of inflation. We become even more concerned about the future of Barbados, and more particularly the future of the young people, not to speak of the 4 000 who have left the secondary schools just last Friday. They have no earning power, and according to what the Prime Minister has said, and according to what the Chairman of the Training Board has said, I begin to be concerned now that they are not going to have earning power in any years to come, not in any hurry. I am very deeply concerned about these matters, Sir.

The Budget is hurting the people of this country, and these consumption taxes in particular. I have said it already, and it bears repetition in here again today, that even though the civil servants got their raise of pay, their salary increase, in the face of the levies and these consumption taxes they find that their carry home pay is less than before they got their raise of pay. It is a fact of life. It is not enough to sit down over there and say it is not true. It can be worked out. The arithmetic of it is not difficult to do. You do not need a calculator to do it.

A large number of civil servants can show you on a piece of paper in numbers that they take home pay is less today than it was this time last year even though they have had an increase of pay. Their purchasing power is less in the face of these consumption taxes, because these consumption taxes, Mr. President, are going on to all of the basics from washing machines, stoves and refrigerators. All those heavy consumer items attract the Consumption Tax and the purchasing power of the average civil servant has been much reduced. We may not like it, but there is no point denying it, because it is a simple fact of life which can be proven. You only need to call any civil servant off the road, call any of them that are working in this Parliament House, and they will be able to show you in writing that this is a fact of life.

This imposition is a hard, harsh and heavy burden that Barbadians are being asked to pay. That is why I am insisting that where the very possibility exists that the most basic of basics, tomatoes, string beans and pigeon peas in this country can possibly attract the Consumption Tax, this ought to be clarified. There are people who are in doubt as to what I am proposing. I am not in any doubt. I am sure beyond any peradventure that the original statement of the Minister of Finance is, in fact, the Budget, that the original Appendix "A" is part and parcel of the Budget. And the very thought that these basic items can attract the Consumption Tax, whether now or in the future, is, frankly speaking a frightening one, because I do not know how much more basic you can get in Barbados than string beans, pigeon peas, tomatoes and cucumbers.

Hypertension is the number two killer in Barbados Mr. President. It is a silent disease. It comes up upon Barbadians without them knowing. Barbados has the highest per capita incidence of diabetes in the world. In the world we have one of the highest rates, but within the Caribbean Barbados has the highest rate. I do not know what it is. I have my views about what some of the contributory factors might be. It is possible that in Barbados it is diet related. We do not eat as many of the deep green and leafy vegetables and the deep yellow ones as they do in the other islands of the Caribbean. We do not have the callaloo. We are not as heavy eaters of spinach and other leaf vegetables that there are in other islands of the Caribbean. We eat a fair amount of pumpkin, which is a yellow vegetable, and carrot. Senator Carmeta Fraser, I am sure, will agree with me on this matter at any rate.

I think that this extraordinarily high incidence of diabetes in Barbados is diet related. I am not saying that it is the major reason, but I believe that we eat starches heavily. It is not uncommon on a daily basis for the average Barbadian to eat three starches at one meal, rice a piece of potato on the side, maybe a piece of breadfruit on the side, and bread in huge quantities.

There is the Barbados Association of Medical Practitioners, the Diabetes Association and the Cancer Society. Hypertension, as I said, is such a great killer, a silent and invidious killer in Barbados, that I would really love to see some association formed to help to educate the Barbadian public in respect of hypertension or high blood pressure, as we know it here.

It is amazing -- I have been walking about in a certain part of Barbados a great deal over the past few weeks going to people's houses and nobody has told me he has cancer or sugar, which is how the average Barbadian refers to diabetes. But I am amazed at the number of people who have said to me that they have the "giddy head," and cold sweats.

(Aside: SENATOR L. R. TULL: The swing head.)

SENATOR B. A. MILLER: Hypertension, Sir! It is the big killer in this country, because the health profile in Barbados is not very different from the health profiles of the developed countries. That, of course, says something for the high quality of the health services of Barbados and the general quality of life in Barbados.

The people in the medical and allied medical professions are trying to instil health education into the heads of Barbadians, who are fighting an uphill battle to change the nutritional habits of Barbadians. The Caribbean Food and Nutrition Institute in Jamaica is spending hundreds of thousands of dollars every year in this

endeavour. They find it necessary in their literature, in their films, in their talks, to try to suggest to Barbadians and Caribbean people on the whole, but Barbadians are my major concern this afternoon, who are the sufferers of diabetes and hypertension in particular, that their diet must contain large quantities of the green leafy vegetables and the yellow vegetables. This is another reason why it is so difficult for me to countenance a tax on tomatoes, string beans and pigeon peas, which are pulses, perhaps the best source of protein since we are moving away from the red meats and the blood meats, the best that poor people can have in this country, the pigeon peas that grow at the hedge rows, carrots and cucumbers. I do not know what the category, "other" means. I shudder to think what it could mean but these are the things which the many hypertensives and diabetics are advised must be an essential part of their daily diet, seven days a week, and it is cause for great concern to me that these items now attract the Consumption Tax, whether or not the Government chooses to enforce that tax.

2.50 p.m.

Of even greater concern is that a lot of the people who suffer from these two major killer diseases in Barbados — and do not doubt that they are killer diseases in this country — are old age pensioners. They are diseases which tend to attack in middle age and to be at their debilitating worse among old age pensioners, and old age pensioners are the people in this country who are the hardest hit by these consumption taxes.

In 1976 we found the non-contributory old age pensioners in receipt of a pension of \$13 a week. Ten years later they were in receipt of a pension of \$48 a week. The Government in its manifesto last year promised them an extra \$2. These are old age pensioners who were accustomed to getting hikes of \$5 and \$7 a time, but the Democratic Labour Party promised the old age pensioners an extra \$2 if they would vote for them, and they went out in their numbers and voted for that \$2. You only have to calculate, or go into the supermarket again as I do, Mr. President, any Friday morning and watch the old age pensioners. They are not the ones with the trolleys, they are the ones with the baskets, because what they have to buy cannot possibly fill up a trolley. You will see that these consumption taxes alone — that has to do nothing with other items which have started to spiral in this economy — eat up many times the \$2 increase they voted for in May of last year, down to the very matches with which they have to light the kerosene stoves.

Unfortunately, in July last year everything, all the petroleum products got tax relief, but not kerosene. I do not know why. It attracted Consumption Tax. People did not seem to notice that, but old age pensioners have to notice these things, because to them every penny counts, and they are the ones who are hardest hit by these con-

sumption taxes, they are the ones who are suffering most on the edge of the inflationary spiral today.

I do not know what comfort can be offered to the old age pensioners. They live now under the threat that the Drug Service will be withdrawn from them. That is so shocking a possibility that I really cannot be expected to speak about it at all today. I dare not raise my voice on that in here today.

Aside.

SENATOR B. A. MILLER: There is no twisting. The Minister of Finance said it, that they cannot afford it and that the Drug Service will have to go. That is what the Government is doing, reversing everything that the former Government did.

Mr. PRESIDENT: That is not here now, deal with what is here.

SENATOR B. A. MILLER: Yes, the consumption taxes.

Mr. PRESIDENT: Yes, but the Drug Service is not before you.

SENATOR B. A. MILLER: I said I will not speak about it.

Mr. PRESIDENT: Do not bring out all these things. Deal with this matter.

SENATOR B. A. MILLER: Mr. President, I agree with you. That is so piercing to me that I cannot bring myself to discuss it here today, but you had better believe it is going to be discussed somewhere else.

Mr. PRESIDENT: I do not mind, but let us here in the Senate.....

SENATOR B. A. MILLER: I am concentrating on the consumption taxes, and I am saying that the sector in this society brutally, harshly hurting as a result of these consumption taxes is the old age pensioners, and I do not know what words of comfort can be spoken, not that words are of any help to a person who needs to go out and buy certain basic commodities and does not have the money to do so. I really do not know what I can say, in the face of the policies of the present Government, to reassure old age pensioners that they are not going to continue to be worse off today than they were two years ago, because that is the situation in which they find themselves, that they are worse off in July 1987 than they were in July of 1985.

I am really very deeply concerned, Sir, as I said, that this Schedule which we have before us is not pro-

perly before us, and I really want to hear reasoning, argument on this from the Minister because this Schedule was not a part of the Budgetary Proposals of the Minister of Finance. It was a part of his reply made two days after the Budgetary Proposals, which is not part and parcel of the Budgetary Proposals. That is really the burden of the point I am trying to make here today.

Thank you, Sir.

SENATOR L. R. TULL: Mr. President, consumption taxes are in their very nature regressive, and although even in progressive countries they have a place in the system, nonetheless they are usually used to extract money from people who spend mainly on luxury items. When Consumption Tax is applied across the board to a number of basic items, it is throwing a disproportionate burden on the people at the lower income level, and indeed a greater burden on those who are not even working.

The Minister of Finance in his Budgetary Proposals again uses this Consumption Tax as a bold measure for revenue collection. He wanted more money, Sir. I have no quarrel with that, but as usual the Minister couched this particular measure in language that would suggest that what he was after was to give an incentive to the manufacturing industry. To use his words — this is page 23 of the Financial Statement and Budgetary Proposals on Tuesday, April 7, 1987 — the Minister said: "Mr. Speaker, I consider it necessary to take steps to dampen demand for certain extra-regional imports, expand the domestic market for our local manufacturers of garments and other products, including non-sugar agricultural products."

That is suggesting to me that this is a measure to help the agricultural and manufacturing industry. But it is quite obvious, Mr. President that what he was trying to do was to get more revenue, and he could have been straightforward enough to say, 'We need more money, we have to raise it somewhere I will increase Consumption Tax and bring a few more million dollars into the Treasury to meet the cost of running the Government.' But he would seek to ride on the backs of the manufacturers and the producers of non-sugar agriculture in this country.

Mr. President, it is a cynical misuse of action and governmental policy to take the line such as we have seen in the words of the Minister. I am constantly in here hearing the Minister of Finance says this and the Minister of Finance says that, as if the Minister of Finance is pronouncing like Moses on Mount Sinai. Those of us who know the Minister of Finance know that you have to look with a microscope at his every word, and if the people on that side are not capable of doing it — because

I keep hearing about the Minister, as if the Minister is to be taken at his word — I am not taking his word on this.

What has happened is that we have the case of an inverted Robin Hood. Robin Hood used to go and rob the rich to help the poor. I am suggesting Sir,.....

Mr. PRESIDENT: But you are not imputing by the word "robbing" that.....

SENATOR L. R. TULL: No, I was just about to tell you what I am suggesting, Sir.

Mr. PRESIDENT: You are not imputing that the Minister is robbing any person.
3.00 p.m.

SENATOR L. R. TULL: I was just about to say that what I am saying, Sir, is that the current Minister of Finance is taking money from the poor and giving to the rich. That is what I am contending. That is exactly what is happening, because when you look at Consumption Tax on every little thing an old age pensioner, Senator Miller mentioned, or the unemployed, or the people at the lower socio-economic group, go into a shop and buy there is Consumption Tax on it. I am not going to spend time rattling off the hundreds of names that appear in the Schedule here, this famous Appendix "A", but the Consumption Tax touches almost everything that the people in the lower income group buy.

I am also saying that while you are taking money from the poor and giving to the rich, because they got \$22 million ease in Corporation Tax — the people who get money in the Corporation Tax are not the workers, the big companies and the whole set of well-to-do people who buy shares in public companies are the ones who got \$22 million — to make up for the loss of the \$22 million that you have given to them, you are ripping out the pockets of the poor people. That is all this is about. It is naked and plain as day, one and anybody who cannot understand that is too limited to understand anything.

Again, they are treating the manufacturers with a great deal of cynicism. If the Government wants to protect local manufacturers, particularly of garments, it has other means at its disposal. This is why I say it is a pure, naked revenue measure. This has nothing to do with something for the manufacturers. If they want to help the manufacturers, they can do it by the outright banning of certain extra-regional garments. Ban them and then you have to buy local, or if they do not want to go for an outright ban, they can go the quantitative route — limit the number of pieces of particular garments coming into Barbados and give the local manufacturers a chance. That is how I would see assistance to expand the domestic market for local manufacturers. That is how you do it, ban or limit. But, no you want to raise revenue, and are

trying to fool people that you are looking after these people!

I will tell you something, Sir. You do not dampen demand in Barbados for extra-regional imports by putting on any kind of tax on extra-regional goods. Barbadians are famous for saying, 'I do not care what it costs, if I want it I am going to pay for it.' You could put on 5 per cent, 15 per cent or 30 per cent on extra-regional garments and other goods and Barbadians are still going to go and buy them. I have not seen any evidence for the whole time that I have been observing the public affairs of this country that the imposition of a tax on extra-regional items or any import has acted as any dampener on the Barbadian penchant for buying things from overseas. If they want them, they are going to buy them, and the garment manufacturers must understand that, no matter how much protection they are given in one sense, Barbadian people, both men and women, are going to buy imported garments.

It has nothing to do with the quality of goods that are produced here. I am one who is satisfied that the quality of goods in Barbados, garments in particular is of a highly acceptable level. But Barbadians are not Chinese. If you go into Peking or Shanghai, you will see a million Chinese going through wearing white tops and black bottoms. There is a sea of black and white, everybody wearing the same thing. Barbadians are not a society that go in for uniformity.

No woman wants to go to a reception for the President next week and find two or three other women wearing the same frock she is wearing, and the men also want to be different, and that is the main reason why in Barbados, with the small choice of garment manufacturers and the products they produce, Barbadians will continue to buy from overseas, no matter how much Consumption Tax you put on. So the Minister is making sport at this whole thing when he comes and give us this kind of facile argument. Just say we need money to run the country and we are going to raise some by Consumption Tax and then smack it on, but do not give this kind of specious argument.

I want to make another point in respect of these manufacturers of garments, because this features prominently not only in the Budgetary Statement but in the introduction made by the Minister. The last Administration made provision for the training of people in the manufacturing of garments, design, cutting and such things, and they got funds from the European Development Fund and from the British to train people in our factories to make the garments that are made in Barbados of an internationally acceptable level in terms of variety and aesthetics.

I want an answer from the Minister, whose only reply to questions raised from this side is that you are twisting things and you are making dangerous innuendoes and those kinds of feckless statements that do not mean anything. You do not put us off by answering that way, because we are going to come back at you until you give us an answer that is appropriate for Parliament. The Government has to answer these things, and we want to know what has happened with the funds and the programme for the training of designers in cutting in the garment industry, funds that were being used by the Export Promotion Corporation and by the Industrial Development Corporation to improve the quality, variety and the style of garments in Barbados so that Barbadians could feel more comfortable buying local garments.

I remember, Sir, that about two years ago, a lady accosted me in public and took me to pieces for allowing the stores to carry a lot of local underwear that almost disintegrated at the first washing, and said, "why do you not allow some of these good St. Michaels....."

(Asides: Marks and Spencer)

SENATOR L. R. TULL:.... — Marks and Spencer garments to come in for people who live in Barbados, because they are sturdy and they stand up. I ask the lady who she was working with and she said she was working in some industrial park in Grazettes. I told her that the reason we are keeping the local garments in the stores is because we have to keep the local people working, but even though she was working in an industrial park, she could not understand that argument. She said, "I do not care what you tell me. I do not want to go and buy those garments, because the first shot of Tide that I throw on them, they disintegrate."

I am not saying, Mr. President; that I share her view that the quality of Barbadian produced goods are not up to standard, because I have seen and have been convinced otherwise. But you have to deal with a certain mentality in this country, and when you are dealing with that mentality, you cannot expect that a 10 per cent and a 20 per cent and a 30 per cent or whatever increase in Consumption Tax is going to dampen any demand for goods from outside the region. To me that is foolishness.

3.10 p.m.

I want to make another point, Sir. We have set up this two-tier system of taxation for CARICOM goods and non-CARICOM goods, extra-regional goods. The Customs Department is not structured to, and the system is not suitable and the facilities are not adequate for, a differentiation between non-CARICOM goods and CARICOM goods when they come into the Bridgetown port. That is a waste of everybody's time. Big containers are coming in, and the most clever and ingenious people in this country are the people who are loved by the Democratic Labour

Party, the people in the commercial houses, the private sector businessmen, and they know and they have started to buck the system.

I always get accused of bringing propaganda, but I cannot help it. If I hear something, I am going to talk it. What has already happened is that these people are re-routing goods from outside the region through the region into the Bridgetown port and paying a lower duty. Senator Lewis is the guru of public service organisations and so on, and I would suggest to him that he takes a very close look at this early.

Asides.

SENATOR L. R. TULL: Do not mind he is not Minister of Finance. The Minister of Finance has shown during the past year that he is totally incapable of doing anything sensible, so do not put that on him. He cannot handle that. I have a little bit more confidence in Senator Lewis.

Mr. PRESIDENT: Have confidence in the debate. Get back to this. These are very wide diversions that have nothing to do with the substance. Saying that you have no confidence in the Minister and those things are really below the quality of the debate I expect from you. Those personal remarks are nothing to do with the debate. Do not get to that level. This is above that level.

SENATOR L. R. TULL: Mr. President, I have heard you, but I have no confidence in the Minister of Finance to deal with these things. None at all!

Mr. PRESIDENT: That is a personal matter. The Minister of Finance is a representative Minister of Government, so it is not a question of your personal feeling towards him. He is already there by the confidence of the people of Barbados, and I do not think you have more sense than they, and it is not a matter for you to express your personal confidence in him. He is not dealing with you in a personal matter. A Bill is before this Senate, not the Minister of Finance.

SENATOR L. R. TULL: Mr. President, again I have heard you, but it is my view, and I feel I am entitled to criticise any Minister of Government.

Mr. PRESIDENT: Yes. When a Minister of Government has something before the Senate, it is the policy that is there. But not your making outlandish remarks about the Minister of Finance just like that.

SENATOR B. A. MILLER: On a point of order: The matter before the Honourable Senate is the Consumption Tax Act, Cap. 63 in order to give effect to a budgetary proposal.....

Mr. PRESIDENT: I am listening to the point of order.

SENATOR B. A. MILLER: This is the point of order. This is a Bill to give effect to a budgetary proposal presented in the House of Assembly on April 7, 1987 by Dr. the Hon. R. C. HAYNES, Minister of Finance.

Mr. PRESIDENT: That is the Minister of Finance. None of you in the Senate or anywhere can say you do not have confidence in that. That is not before you,.....

SENATOR B. A. MILLER: But, Sir, that is a criticism that we can make.

Mr. PRESIDENT:..... if not you will not be dealing with it at all.

You are dealing with a matter that has come from the Government of Barbados through the Minister of Finance, and it has not come to you as a personal matter or from the person as an individual. I am not debating this. You have a document that has come from the Other Place before you, but you are making personal references and rising on a point of order. There is no point of order on that. I have made a statement to Senator Tull that the personal reference he made to the Minister of Finance does not have any bearing in this debate.

SENATOR B. A. MILLER: My point, Sir, was that these two things are inextricable. This is before the Senate.

Mr. PRESIDENT: Senator Miller, I am not pursuing that matter with you as a point of order because that is what I said to Senator Tull.

SENATOR B. A. MILLER: That is the point of order, Sir, that the Budgetary Proposals are before the Senate at this time.

Mr. PRESIDENT: The proposals are before the Senate, not the Minister of Finance.

SENATOR B. A. MILLER: But they are his proposals!

Mr. PRESIDENT: They are not his. They have come from the House up here. What personal references are you asking me to take? Both of you, as two trained jurists, should know better making personal remarks all the time to documents that come here from the Government. You are not dealing with a matter which has come here from an individual.

SENATOR B. A. MILLER: So you are saying then, Mr. President, that we are not free to criticise a Minister of Government.

Mr. PRESIDENT: You are free to criticise, but you are saying you do not have any confidence in this Minister. The question of confidence does not arise. If you do not have any confidence, have a vote of no confidence, do not debate it.

SENATOR B. A. MILLER: Well, perhaps Senator Tull should use another stronger word.

Mr. PRESIDENT: I am not having a debate with you, Senator Miller.

SENATOR L. R. TULL: May I proceed now, Sir?

Mr. PRESIDENT: Certainly.

SENATOR L. R. TULL: Mr. President, I was dealing with the Port Department and the Customs, and I was saying that the Customs Department is not so structured and the system is not of a kind, nor does the department have the facilities, to determine easily what goods come from inside CARICOM and which goods come from outside CARICOM, and I am asking the Minister who has introduced this measure to look into the Customs Department to see how they can devise a system that will minimise, at worst, and remove, at best, this particular problem that obtains in the Customs Department and the port in relation to the separation or the differentiation between CARICOM imports and non-CARICOM imports.

I understood Your Honour to say that I cannot talk about the Minister.

Mr. PRESIDENT: No Senator Tull. I never said that. I said that the personal reference you made that you do not have any confidence in this Minister cannot be accepted.

SENATOR L. R. TULL: That is what I feel, too, not only said.

Mr. PRESIDENT: It is not a matter of what you feel. This is not a Chamber for saying all that you feel. This is a Chamber for complying with the standard of debate, not renting what you feel.

SENATOR L. R. TULL: I heard you, Sir. I am not saying I am absolutely confounded, because in my 16 years in Parliament I have always been under the impression that Ministers are accountable for what happens in Ministries and can be criticised for doing or not doing a good job.

Mr. PRESIDENT: I agree with you. If it is something that the Minister can be criticised for, you can do that, but there is nothing the Minister has done. This is a document before you that comes from the Other Place.

SENATOR L. R. TULL: What he has done, Sir, is imposed consumption taxes on poor people and eased the people at the top. That is what he has done!

Aside.

SENATOR L. R. TULL: No! I am not sitting down this time!

Mr. PRESIDENT: You will have to have a no confidence motion in the Government, not in the Minister. This matter came up from the Other Place, not from the Minister. The Minister has not sent anything here.

Senator Tull, you have been in Parliament long enough to know that we do not receive matters from Ministers. We receive matters from the House, so do not worry to do it as if you are travelling backward and forward. You must go and read your Standing Orders.

SENATOR L. R. TULL: Sir, I do not think anybody here needs to tell me to read the Standing Orders. I know them very well. I cannot expect to operate in a Chamber without understanding the Standing Orders. I know the Standing Orders, and I abide by Your Honour's ruling, Sir.

(Aside: SENATOR N. W. BOXILL: You have to, or we will send you out!)

SENATOR L. R. TULL: I will try hard, Sir, to keep within the four corners that you have established for me.

Aside.

Mr. PRESIDENT: Senator Boxill.....

(Aside: SENATOR N. W. BOXILL: Yes, Sir.)

Mr. PRESIDENT.....the place was a little quieter.

SENATOR L. R. TULL: Mr. President, in respect of the Prices Control Department, I heard Senator Miller raise the very valid point that the imposition of Consumption Tax on a large number of items in the supermarkets seems to have given the operators of these supermarkets and shops an open season to raise prices as high as they like. So when there is a 5 per cent increase, you are finding in many cases that the increases in the shops are far in excess of the increase of the Consumption Tax that has been imposed.

I believe that the Price Control Department is unsuitable to carrying out the job of monitoring the level of prices in the many shops and supermarkets across the island. I believe the department is understaffed, for one reason, but apart from that, it requires an extraordinary

amount of time to be able to go around all the shops in Barbados on a constant basis and check out the prices on the hundreds of different items that are on the shelves.

And I am submitting, Sir, that the consumers are being exploited by the raising of the prices by some of the people who operate these places because of the new consumption tax imposition. I am recommending to the Government, and they can take it for what it is worth, that the whole Price Control Division of the Ministry of Trade, Industry and Commerce be looked at and reviewed to see how best it can carry out this very difficult and comprehensive job of making sure that the consumers are not exploited every time the Government introduces a percentage increase by shop and supermarket owners doubling and tripling that figure for the consumer.

You need licences to import goods into Barbados, non-CARICOM goods and some CARICOM goods, because the importation of canned soft drinks from Trinidad and Tobago and the rest of the CARICOM region has been put on licence. It is in the discretion of the Minister of Trade to determine what levels of those goods should come into Barbados and who should be given licences to bring them in.

I used to be a Minister of Trade, and I always understood that traditional importers were the people who were given priority when you were importing goods. If people are engaged in the dry goods business and you are bringing in corned beef or salt meat, if the licences are limited, they are given to the people who traditionally have been, and still are, engaged in that kind of business.

It alarms me, therefore, Mr. President, to find out that licences are being given to people now who are not engaged in the related business. I will give you an example, Sir, before I mention the sentence that really is supposed to be the clincher of the problem expressed in my last sentence. A licence, or more than one, has been granted to a travel agent in Barbados to bring in canned soft drinks from Trinidad and Tobago, and to my certain knowledge, traditional importers who deal with these things in the normal retail business have not been granted licence.

(*Aside: Who?*)

SENATOR L. R. TULL: You are going to ask me, "Who?" and as soon as I tell you, the President is going to tell me that I must not call names. So I am not calling any names.

(*Aside: SENATOR B. A. MILLER: Ask the Deputy Prime Minister.*)

SENATOR L. R. TULL: Ask the Deputy Prime Minister, do not ask me.

I would like the Minister to get up and give us the reason for this, or if it is not true, as he is likely to say, although nothing he can say can convince me otherwise, because I know it has happened, to get up and explain these things, because you cannot run a Government on cronyism. And a Government that professes that it is as pure as new driven snow cannot do these things and get away with them.

Aside.

SENATOR L. R. TULL: What are you bothering me for?

One of the things that we have with the Government is that it does not do what it professes. It says one thing and it does another. And I understand that is not only with the canned soft drinks, but it has happened with a number of other items.

I will mention another one, Sir, imported cooking oil from extra regional sources. This appeared in a Sunday newspaper about two weeks ago, and I have also checked it out. Under the Oils and Fats Agreement in CARICOM, the Government of Barbados is committed to importing a certain amount of its cooking oil needs from CARICOM, Dominica, St. Lucia and St. Vincent. They produce oil from copra.

It is true that Barbadian eating habits have moved away from this coconut oil base of cooking to vegetable oil.

(*Aside: SENATOR N. W. BOXILL: Lard oil.*)

SENATOR L. R. TULL: Yes. The old lard oil is passé. Barbadians do not want to deal with any lard oil any more, they have moved on to vegetable oil, and, therefore, there has been some reluctance in honouring the Oils and Fats Agreement in CARICOM in bringing in a large amount of lard oil from Dominica, St. Vincent and St. Lucia. But in recent times, in the last year or two, the Governments of those three countries have been, quite rightly putting pressure on their CARICOM partners to honour their agreement in respect of these things because these are vital industries in the respective countries, and if they do not buy it, they have to throw it in the Caribbean Sea. So there is now a requirement for licences to import cooking oil from extra-regional sources.

Another crony of the Government, of the Democratic Labour Party, has been given licence to bring in so much oil from an extra-regional source that would drown

everybody in Bridgetown. This particular operator has three one-door shops, but he has been given a licence to bring in, as I said, as much oil as would drown everybody currently in Bridgetown. Everybody wants to know who the person is. You should ask the Deputy Prime Minister about one and ask the gentleman in St. George about the other. That is all, I leave it there.

3.30 p.m.

Mr. President, I will make one final point, because I want to go down a wicket that I am not sure I will be allowed to travel, and it relates to those self-employed people who sell fruit around Bridgetown. It can hardly be the intention of Government, in a time of high unemployment, to discourage those vendors from making a living. The imposition of Consumption Tax on things like grapes, apples, pineapples and these things that these vendors around Bridgetown sell may discourage them, because, as was said by a leading political personality in Barbados, impressions are what are important and not facts, so they may gain the impression that the imposition of Consumption Tax on those items might discourage consumer spending on these items and may drive them out of business and increase the unemployment situation.

I, however, do not share that view, because my thesis in this very speech is one that I long upheld, that people will buy these things no matter what you put on them. I am sure that there are better local non-sugar agricultural products in Barbados than a lot of stuff we are importing — Senator Fraser, who is the most articulate and consistent advocate of that line, will cross the party line this time and support me on that — but we still insist on passing up good, fresh, local non-sugar agricultural products to go and buy a lot of withered grapes and seconds in apples and stuff like that.

Mr. President, there are one or two other points that excite my interest which I would like to share, but in the interest of harmony, I will close my contribution at this stage.

SENATOR A. J. N. PHILLIPS: Mr. President, I feel duty bound to respond to a few comments made by the Senator who just sat.

Sometimes Senator Tull is in a jocular mood, sometimes he makes some sweeping statements, obviously to draw some response, but this evening I thought that his speech should be designated to the Democratic Labour Party, 'How to lose the 1991 General Election,' because things he has told us this evening are things that the Barbados Labour Party vehemently resisted when we formed the Government in 1976.

He made the point about the banning of extra-regional clothing, but before that he had said that in-

creasing the Consumption Tax on extra-regional goods does not prevent the Barbadian consumer from buying the product. He knows very well, Sir, that banning and insisting that the Barbadian public buy only CARICOM or local clothing would be a serious blow to this political party when we come to face the polls in 1991. Furthermore, the Barbadian is such a person that if we ban extra-regional goods, people will get on an aircraft and go to Miami and wherever else and still buy the goods.

Another point he raised, and this one surprised me seriously, was the one on price controls, because I remember, Sir, that the Barbados Labour Party, in close collaboration.....

SENATOR L. R. TULL: On a point of explanation, Sir: I never recommended that there should be imposition of bans on the importation of extra-regional goods. I never recommended that. What I did say is that if the Government wanted to dampen demand for things, that is the only way they could do it, but I certainly never recommended it.

SENATOR A. J. N. PHILLIPS: He did make the suggestion, Sir, that the only way to prevent the Barbadian consumer from buying extra-regional goods would be to ban extra-regional goods. I am making the point that Barbadians would still go overseas and buy extra-regional clothing if they so desire.

I recall that the Barbados Labour Party, in close collaboration with the baron of Tudor Bridge, who was then the baron of Roebuck Street, made a song and dance over price controls when the Ministry of Trade was headed by Mr. Branford Taitt. They were able to convince the Barbadian electorate that price controls were the worst possible thing, that the market forces would bring down the prices.

When I looked at the Schedule here this evening and saw the increase on the goods that the average Barbadian uses, and when I heard Senator Miller giving the example of a product which she bought that had cost about eighty something cents now costing one dollar and sixty something, or something like that, an increase of 60 per cent or more, I had to get up and say that that blame cannot be placed at the feet of the Government. It is the mercantile community ripping off, if you may call it that, the consumers in this country, and the Government cannot be blamed for a thing like that, because our imposition certainly of the Consumption Tax is not of the magnitude which would cause prices to rise to that extent.

I run a small business, Sir, and I only know of one product that has increased since this Consumption Tax has been put on, and that was because of the external

factor. I know of instances where many goods have come down since the imposition of that tax. Again, Sir, that is because of external forces. If the prices of goods to us come down and you are a reasonable merchant, then the price comes down to the consumer, but some merchants obviously have no scruples about maximising profits when they see the opportunity, but this cannot be placed at the feet of the Government.

When one looks at the goods that the taxes have been placed on, one cannot say that they were unreasonable or that they were meant to hurt the poor consumers. People who have money and care to spend their money buying the sort of goods which are on that list, then, Sir, that is a matter for them. But by and large, I feel that if we follow the suggestions as put to us by the Barbados Labour Party, we would be preparing a wicket for them in 1991, which at present is a very bad wicket they are playing on.

Thank you, Mr. President.
3.40 p.m.

SENATOR A. MORRISON: Mr. President, I have to reply to a few remarks made by the various speakers, and I would like to start with the point made by Senator Miller about the legality of this Appendix "A" in this document.

When these errors were first discovered in the other Chamber, it was very well explained at that time that they were errors which had been committed. I remember the late Prime Minister even offering an apology on behalf of the Minister of Finance and himself and taking the blame for those omissions and errors which crept into the Appendix. We had a new Appendix being circulated at that time, which is the Appendix we are now dealing with in this Chamber.

It would seem to me that every Budget that came in here within the last five years with Appendices on Consumption Tax have all contained errors of some sort or the other, and all the previous Ministers of Finance have had that bug bear in bringing their Budgets.

SENATOR B. A. MILLER: On a point of order, Sir: Those errors, in each case, were corrected during the course of the presentation of the Budgetary Proposals, not the replies.

SENATOR A. MORRISON: Be that as it may, all I was saying, Mr. President, is that when the late Prime Minister made his contribution to that debate in April, he offered an apology on behalf of himself and the Minister of Finance and he pointed out that this was something that was always happening to previous Ministers of Finance and they always had to have some kind of correction made.

The Customs Department has had problems in trying to eradicate these errors. The Ministry of Finance

and Customs have been working on this Appendix to make sure that we did not have any errors in this particular one.

As far as the legal point is concerned, I cannot argue that point with Senator Miller, because she is a legal person. I would have to rely on the Government's office...

SENATOR B. A. MILLER: On a point of order, Sir: In this matter I am a political person, and I reiterate that those errors were always corrected during the course of the Budgetary proposals, not the replies Sir.

Mr. PRESIDENT: That is no point of order.

SENATOR B. A. MILLER: But what he is saying is incorrect. It is misleading the House to say that it was done by previous Ministers of Finance. That is not true. Attempts were not made to correct Budgets in the replies by previous Ministers.

Mr. PRESIDENT: The honourable member said it was done before. You cannot rise at every point a person makes and say, "No, this was not done." He did not say this was done by any Minister. He said previous Administrations.

SENATOR A. MORRISON: I do not know if they were corrected in the presentation or the reply. All I am saying is that errors occurred in all Budgets previous to the 1987 Budget, whether they were corrected in the presentation or the actual reply. This was corrected in the reply, the Lower House has been able to proceed on the matter and it is now before us for confirmation, and we have to proceed with this Appendix which I now have before this Senate. This is the substantive Appendix that we are dealing with, but it does not contain those errors which were complained about in the previous Appendix.

Asides

SENATOR A. MORRISON: Mr. President, as far as the point raised by Senator Tull about the Customs Department having difficulties determining whether goods that come through the harbour are from CARICOM or extra-regional sources, I do not think that that should be too much of a problem, because they deal with invoices every day. You have to declare your country of origin, and I believe that if anything is done, the merchants would have to be very smart to mislead the Customs authority into not knowing whether the goods come from within the region and outside the region.

That is a departmental problem and they will have to sort out that at Customs. It has nothing to do with the actual policy decision made by the Minister of Finance. They would have to get their acts straight at Customs, because a lot of things go through Customs. It is not only at Customs, but people in the Port Department do their own thing. It is a matter of tidying up those departments

to make sure we get the amount of revenue that we should get from extra-regional imports.

As far as the reference to the Price Control Division is concerned, in respect of licences granted by that department, the people who are not in the business, and he mentioned the case of soft drinks, I will have to get that matter investigated. I do not know much about it and I will draw it to the Minister of Trade's attention. I should like to state that in the previous Administration we know that licences were granted and people had big concessions on the importation of certain commodities.

(Aside: Like?)

SENATOR A. MORRISON: Like a big wholesaler in Barbados. I am not going to call his name. We know that as a result of that some people even went out of business. They could not get anything to sell.

Asides

SENATOR A. MORRISON: I am not talking about that. I am talking about a certain wholesale merchant in town who was able to extract licences at will, to the extent that people had to go to him and beg to get certain supplies. It resulted at some time that some people were not able to carry on their businesses. I do not think what was complained about by Senator Tull would be of that magnitude.

As far as the imported cooking oil is concerned, I know there was a meeting with the Minister of Trade early in the year about taking up the amount of the oil from the CARICOM sources. All the importers came in, all the big boys, and they were given allocations, and you were only able to get a permit to import oil from extra-regional sources when you had taken up your quota of oil from the CARICOM sources.

Asides.

SENATOR A. MORRISON: All the regular fellows. All the big supermarkets have quotas and they were all allocated amounts to take from the CARICOM market, and anybody who did not take up their allotment from the CARICOM market would not be given a permit to bring in from extra-regional sources. At that time permits were granted to everybody to bring in oil from outside, and if there is a permit now outstanding which might belong to Holder, it was done in all good faith. It would be an old permit which had been delivered at the time.

Asides.

SENATOR A. MORRISON: No. I am talking about permits that were given as a result of that meeting. I do not know about this big lot of oil. I am talking about people who had been given permits before which were

still working, including J. B. and R. L. Seale. All of them had permits to bring in oil.

If this is a more recent one, I shall have it investigated by the Minister of Trade and bring back the report to you at a subsequent meeting.

Sir, consumption taxes have produced a lot of debate in this Chamber. We are only raising a mere \$14 million by the imposition of this Consumption Tax, not \$100 million nor \$200 million. We know that in the last days of the last Government in 1984-85, when you look back at the imposition of consumption taxes along with stamp duties, they raised \$200 million from the poor people of this country, and when you compare \$25 million, that is, \$14 million from consumption taxes and \$11 million from stamp duties, you can see the difference.
3.50 p.m.

We are not dealing with levies. When we left the Government in 1976 there was so such thing as a Stamp Duty. They brought the Stamp Duty from nought per cent to 12 per cent in their period of Government, and when you left it was at 12 per cent. We have now reduced it to 10 per cent, and we intend as we go along to give further reductions in taxation to the people of this country. We have already given a lot of concessions on Income Tax and we will continue to do that, and far from imposing hardships and burdens on the poor people as they would have us believe, we gave back \$58 million in Income Tax.

(Aside: SENATOR B. A. MILLER: And then you turn around and carry away \$60 million!)

Mr. PRESIDENT: Senator Miller you have no facts, you are just making these bland statements all the time. I would suggest that you leave these kinds of statements for other places where they would have more meaning. In an intelligent forum like this they would not have any meaning. You are dealing with equals.

SENATOR A. MORRISON: Sir, you will remember that when I said we gave back \$58 million, the Senator said we took \$60 million. When the former deceased Prime Minister removed the Means Test from the old age pensioners and everybody was to be given old age pensions, they went straight to the National Insurance Fund and paid the money from there, but in our time we paid old age pensions from the Consolidated Fund and we knew what the money was every year, but as soon as it went to the National Insurance Fund, nobody knew the amount of money being paid out year by year from that fund. As a matter of fact, the Sugar Provident Fund has now been further decreased, because in there everything has become mixed up, and we do not know how much money has gone to the Non-Contributory Old Age Pensions and how much money has gone to the contributory pensions. That is what is happening at National Insurance. When you put all these

funds in there like that without any kind of accountability, you get all kinds of confusion, and that is why we say put it in the Consolidated Fund.

SENATOR B. A. MILLER: Mr. President, on a point of order: The Senator cannot say without "accountability." The Board of the National Insurance Scheme is accountable and a statement has to come to Parliament every single year. The Non-Contributory Old Age Pension has always been paid by the workers of this country, whether out of the Consolidated Fund or out of the National Insurance Scheme. The workers of this country are obligated to carry the Non-Contributory Old Age pensions, and we are hoping that the day will come, Sir, when the Barbados Labour Party — and it was the Barbados Labour Party that conceptualised the National Insurance Scheme; when that was conceptualised the whole idea was.....

Aside.

Mr. PRESIDENT: Order. Senator Miller, you rose on a point of order, and you are making a speech on something completely different.

SENATOR B. A. MILLER: The whole concept of the National Insurance Scheme was that in time you would not have any more Non-Contributory Old Age Pension Act, and those figures are audited every year.

Mr. PRESIDENT: A point of order is made, but you cannot go back to that debate now.

SENATOR A. MORRISON: Mr. President, when I said with 'no accountability,' all I would say is.....

Asides..

Mr. PRESIDENT: Senator Boxill, you know I will have to name both you and Senator Miller.

SENATOR A. MORRISON: Mr. President, when I said without accountability, what I mean is that we are now seeing the financial report on National Insurance for 1984 being audited.

SENATOR L. R. TULL: On a point of order, Mr. President.....

Aside.

SENATOR L. R. TULL: Man, do not tell me not to make a speech!

Mr. PRESIDENT: Order.

SENATOR L. R. TULL: I am making a point of order, Sir: As someone who is restricted to very narrow quarters when I am speaking, the National Insurance Scheme has absolutely nothing to do with the debate on

the Consumption Tax. I am made to come within these tight walls and I think the Minister should be made to do so too.

SENATOR A. MORRISON: I am referring to points that were raised about old age pensioners. All I am saying, Sir, is that the Auditor General has not been able to certify any financial statements about National Insurance since 1981. As I said, a lot of money has gone into that fund and we do not know where it is and how it is being administered, because the Auditor General cannot certify a statement from 1981 to this day.

SENATOR THE HON. SIR JAMES TUDOR: Mr. President, I just want to air a few concerns about an argument which has been raised here today about the validity or the invalidity of the Schedule to this Bill. The argument, I believe, was advanced first by Senator Miller, that in view of the fact, as she contended, that the amendments or corrections, or whatever they were, were made to the Budgetary Statement on the third day of the Debate, the lapse of time would render these things invalid, if I understand her.

SENATOR B. A. MILLER: On a point of clarification: It is not the lapse of time. It could have been done the next minute. The point is that the reply is not a part of the Budgetary Proposals. It is a reply to a debate on a Resolution, which is not the Budgetary Proposals.

SENATOR THE HON. SIR JAMES TUDOR: All right. I am grateful to the Senator for making that clear to me, therefore I can proceed to my answer much more quickly.

What we are discussing here is a Bill sent to us from the Other Place. This Bill is sent to us in its entirety, and it is accompanied by a Schedule, and I think the first page of that First Schedule, first and second and probably other pages, deal with a variety of items for which rates of taxes, both CARICOM and non-CARICOM, are chargeable. Page 2 of the Schedule deals with vegetables, fresh or chilled, a whole category of vegetables, tomatoes and pigeon peas, carrots, cucumbers and so on, and it says "rates of tax, CARICOM — no percentage; non-CARICOM 15 per cent."

The point I am making here is that unless we are prepared as one Chamber of Parliament to reject the Bill sent to us from another Chamber, we have to accept that the Chamber which has sent this Bill to us has acted in good faith, has done all that is fit and proper.

In any case, since it is a money Bill our capacity to deal with it is restricted. But more important than that is that we are dealing with a Bill which has come to us from the Other Place.

SENATOR B. A. MILLER: Mr. President, on a point of order: At page 23 of the Budgetary Proposals, Appendix

'A' referred to by the Minister of Finance in his narrative is not the Schedule which is before the Senate today. As I said, I was in this Chamber, I so happened to be, at the time when honourable Members were distributed with the second so-called amended Appendix 'A', which is what is before us. I received mine sitting over there in the visitor's gallery. It was not the Appendix 'A' referred to on page 23 of the Budgetary Proposals.

SENATOR THE HON. SIR JAMES TUDOR: There is no need to generate more heat than is necessary for the occasion. The point is that we are discussing a Bill which has come to us from the Other Place. If you think the Other Place is wrong,...

Asides.

SENATOR THE HON. SIR JAMES TUDOR: You do not propose to us to amend it and send it back to them, so, inferentially, you are accepting it and we all are accepting it. Therefore, the point about whether the Minister of Finance did or did not amend the Schedule when he was on his feet, or whether he amended it or attempted to amend it when he was making the reply, cannot be relevant here. 4.00 p.m.

We are really not discussing that. We are discussing a Bill to amend the Consumption Tax Act. The Schedule to this Bill gives us all the information we want in respect of this Bill which has come from them. Since we are not prepared to reject the Bill which has come from the Other Place, inferentially we are accepting all of its provisions.

(*Aside:* SENATOR L. R. TULL: Therefore we cannot talk about it!)

SENATOR THE HON. SIR JAMES TUDOR: No, no! You can talk on it, but you must.....

(*Aside:* SENATOR L. R. TULL: You are going to tell us what to say!)

SENATOR THE HON. SIR JAMES TUDOR: No, no!

(*Aside:* SENATOR L. R. TULL: Let us go home.)

SENATOR THE HON. SIR JAMES TUDOR: If you are going to talk on it, Mr. President, my point is that you either have to say that the Bill is in order or it is not in order. You have not said that.

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

On the separate motions of SENATOR A. MORRISON the Bill was read a third time and passed.

ADJOURNMENT

SENATOR THE HON. SIR JAMES TUDOR: Mr. President, that completes our business for the day, I must thank Senators for their attendance. I understand that the Other Place is due to meet again on the 21st and it is conceivable that there might be some business coming to us from that meeting. I do not know.

I think the safest thing for us to do, however, because I think we have to take a recess quite soon, would be to adjourn *sine die* and wait to see what business, if any, comes from the Other Place in two weeks' time. If no business comes, or if business which is not particularly pressing should come, we may be able to take it that we are in recess. If, however, business from the Other Place is pressing or important, I may have to ask Senators to come in for some day after that and deal with it and then let us go on recess.

I beg to move that the Senate do now adjourn *sine die*.

The question that the Senate do now adjourn sine die was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.
4.05 p.m.

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