

THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1986 – 91

THE SENATE

Wednesday, August 10, 1988

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

PRESENT

His Honour Senator Sir FRANK L. WALCOTT K.A., O.B.E., LL.D., (President);

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

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

Senator the Hon. A. MORRISON, (Acting Minister of International Transport);

Senator the Hon. N. W. BOXILL, (Minister without Portfolio);

Senator D. A. COMMISSIONG;

Senator V. C. FRASER, B.S.S., J.P.;

Senator G. L. EASTMOND;

Senator A. J. N. PHILLIPS;

Senator T. A. PRESCOD;

Senator B. A. MILLER,

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

Senator J. C. W. WICKHAM, M.B.E.;

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,

Senator the Hon. Dr. C. D. CLARKE (Minister of State for Finance).

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

Mr. PRESIDENT: The Senate is now in session.

TO COMMITTEE OF PRIVILEGES

Article in Barbados Advocate of Saturday, August 6, 1988 referred to the Committee.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I claim the indulgence of this Honourable Chamber to draw attention to a matter which I am proposing be referred to the Committee of Privileges.

It is in the *Barbados Advocate* of Saturday August 6, 1988, at page 6, in the first and second columns of an editorial that is captioned "The Senate, Slipping Standards".

I wish, with your consent, Mr. President, to make the newspaper a document of this Honourable House. I submit that the article appears or tends to defame this House, and reflects on the character of the President in the discharge of his duties as such.

I move that the matter be referred to the Committee of Privileges, which is established under Standing Order No. 60, subsection 4, so long as Your Honour is satisfied that a *prima facie* case of breach of privilege has been made out in accordance with section 25(1) and 25(3) of the Standing Orders of the Senate of Barbados.

Mr. PRESIDENT: The question is that this matter that has been raised by the Leader of the House be referred to the Committee of Privileges.

There being no objection, this matter will be referred to the Committee of Privileges.

PRESENTATION OF PAPERS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I am commanded to lay:

The Training Report for the years 1st April 1980 to 31st March, 1985.

PERSONAL EXPLANATIONS

SENATOR THE HON. N. W. BOXILL: Mr. President, I should like to draw your attention, and the Senate's attention, to an article that appeared in the *Nation* newspaper of Thursday, July 28, 1988, which has misquoted me. I have a copy of my speech that I made on the day before, which I should like to read to the Senate, and I would also like to make this a document of the Senate. I will read what the newspaper said.

"Senator Boxill said it was stupid for persons to accuse the Democratic Labour Party of racism when it was that party which drafted and effected the Constitution, which clearly sets out the rights of each individual.

He said it was unfair for people to base such allegations on the fact that a single contract was not awarded to a specific firm which, he said, worked for over \$180 million during the 10-year rule of the former Barbados Labour Party Government."

Mr. President, the exact words which I used were:

"One contract, Mr. President, one contract was not awarded to a particular contractor. And let me say this for the information of the Members on the opposite side. During the ten years of the Barbados Labour Party's reign, Mr. Williams — I have no brief for or against Mr. Williams. He is a Barbadian. And Senator Tull can vouch for this, whether you belong to the Democratic Labour Party or any party and I meet you when I am overseas, I treat you as a Barbadian — C. O. Williams Construction firm worked for over \$80 million. I am going to repeat it because there will be no mistake. I said C. O. Williams Construction firm under the Barbados Labour Party within ten years worked for over \$80 million. Now that is more than \$8 million a year. I forgot to work it out today. Over \$80 million. I did not hear anybody talking about any breach of any Constitution, and that this is berating this and the next thing and all of this kind of thing. One firm — let them come out in the press tomorrow and deny what I am saying — over \$80 million. I am repeating it."

This in my view, Sir, was unfair reporting and I should like this to be clarified. I can give them a copy of my extract.

Thank you, Sir.

11.25 a.m.

Mr. PRESIDENT: The honourable Senator has given an explanation, and the explanation will be noted.

SUSPENSION OF STANDING ORDERS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I am advised that we should seek permission to suspend Standing Order 45(2), although I believe that notice was given of these Bills.

Mr. PRESIDENT: Leave is asked for the suspension of Order 45(2).

There being no objection, leave is granted.

PUBLIC BUSINESS

TRANSPORT LEVY (AMENDMENT) ACT, 1988

Order No. 1 was called — To move the second reading of a Bill to amend the Transport Levy Act.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, this Bill seeks to amend the Transport Levy Act. The Transport Levy Fund was established under the Transport Levy Act of 1982, and it provides for the imposition and collection of a levy on incomes to be used for the improvement of roads and public transportation.

During 1987, there was an amendment to this Act which extended its scope to permit withdrawals from the fund for the purpose of defraying costs relating to the provision of public transport, including operating costs. In essence, Mr. President, the payment of an operating subsidy to the Transport Board was first provided for in 1987 in order to defray that board's operating deficit.

Prior to 1987, the insurable earnings of every person who was gainfully employed in Barbados, whether self-employed or not, was charged at one per cent, and one half of one per cent of the insurable wage bill of every employer was also chargeable in respect of the Transport Levy.

In the Financial Statement and Budgetary Proposals of April 1987, increased rates were payable under the Levy Act by 0.75 per cent of the insurable earnings of workers, whether they were self-employed or not. This was a measure aimed at raising additional revenue of \$6.875 million during a full fiscal year.

The collection of this levy is administered by the Director of National Insurance, and all monies collected by him up to May 31, 1988 was deposited by him on a fortnightly basis to the Transport Levy Fund, an account held at the Barbados National Bank.

More recently, in his Financial Statement and Budgetary Proposals, which were delivered on April 28, 1988, the Prime Minister and Minister of Finance and Economic Affairs announced that, with effect from June of 1988, the Transport Levy would be paid into the Consolidated Fund. There was a promise that there would be ongoing discussions between the Government and the Transport Board on what further steps should be taken to contain the deficit of that statutory body. Accordingly, the Director of National Insurance was instructed to pay the receipts of this levy into the Consolidated Fund from June 1, 1988.

This amendment which is before us today deals with giving legal authority for payment of that levy into the Consolidated Fund. It is therefore intended to implement the proposal of the Minister of Finance for the payment of those proceeds from time to time.

In future, certain loan repayments which were to be met from the Transport Levy Fund will have to be met out of the Consolidated Fund under the head, "Charges of Debt." There has been a series of loans to the Transport Board which are chargeable to this Transport Levy. I refer to loans made between 1981 and 1984, when some 130 buses were purchased. The cost was approximately \$23 million, and that principal, along with the interest, will have to be met out of the Consolidated Fund. It will be recalled that the financing was done through suppliers credit, through foreign bank loans and local funds. The Barbados National Bank provided the local funds which met the cost of constructing 110 bus bodies.

There are other outstanding repayments in respect of a \$13 million loan obtained from the Barbados National Bank in 1987-88 fiscal year. This was used to liquidate the outstanding debts of the Transport Board which had been accumulating over a period up to 1986.

I am advised that the collections of the Transport Levy Fund from its inception up to the present time amount to some \$86.875 million, and the interest earned over that period is in excess of \$1.4 million.

All Barbadians would be aware that, since 1981, the Transport Levy Fund has been used and has made a positive impact on the work and operations of the Ministry of Transport and Works, as well as the Transport Board. The funds have not only been used to purchase buses and spare parts, but have been used to provide bus shelters and omnibus terminal facilities, including the facility at Fairchild Street and the one at Speightstown which is still under construction. The levy has also been used to the benefit of the people of Barbados, the length and breadth of Barbados on road projects.

The Ministry of Transport has available to it an amount of \$10.7 million which is to be spent on

improving the Transport Board facilities and completing the bus terminal at Speightstown, on minibus terminals, bus shelters, footpaths, and for the construction of certain tenantry roads. But, in future, all the levies will go into the Consolidated Fund, and it is out of the Consolidated Fund that the monies will have to come to meet the current and capital projects, and requirements of the Transport Board which will accrue from time to time.

I move, Mr. President that the Bill to give effect to the decision to pay the Transport Levy into the Consolidated Fund be read a second time.

SENATOR B. A. MILLER: Mr. President, I am indeed impressed to hear the language of Senator Lewis. He says that the Transport Levy has had a positive impact on this country, that the monies collected in the levy, large sums of money, have been used for the benefit of the people of Barbados, the length and breadth of Barbados.

11.35 a.m.

This Transport Levy, which was the subject of public debate both in the Other Place and in this place, and outside on the political platforms; this Transport Levy, which we were told by the Democratic Labour Party during the early months of 1986 would be abolished; this Transport Levy which now, far from abolition, is being transported into the Consolidated Fund — we are now told about its very positive impact! We are told about the hundreds of buses that it is for! We are told about the large quantity of spare parts that it is for! We are told of the road repair, maintenance and road building programme that it has financed, the tenantry and subsidiary road programme, an ongoing programme, that has been financed by the Transport Levy!

In this Chamber, Mr. President, we all have a clear understanding of how Government finances work and operate, and it is exceedingly difficult for me, as it is for the Minister of Transport and Works, who had much to say about his difficulty at the time of the last Budget debate at the end of April and beginning of May earlier this year in the Other Place, to understand how, once the Transport Levy has been transported into the Consolidated Fund, the Transport Levy funds will be distinguished from other Consolidated Fund monies. We know it is impossible. It is like putting water into a bucket, if you pour a glass of water into a bucket already half full with water, or half empty, however you choose to look at it. It is virtually impossible to extrapolate that particular money from the Consolidated Fund.

Of course, Mr. President, it is entirely possible to throw a glass of water into a bucket half full with water and then take a glass of water out again. But the Minister of Transport and Works has said in the

Other Place that he had great difficulty believing that he is ever going to get back the equivalent of his Transport Levy Fund from the Consolidated Fund in order to carry out his programme. And, Mr. President, he went to great length to read out, after the fashion of Senator Clarke, for the benefit of the Members of the Other Place, line by line, his road building programme, to assure the Prime Minister and Minister of Finance and the rest of Barbados that if that programme fails to get carried out during this financial year, the fault would not be that of the Minister of Transport and Works, but rather that of the Minister of Finance, since these funds will now be under the direction and supervision of the Minister of Finance in the Consolidated Fund, rather than the Transport Levy Fund, which is under the direct supervision of the Ministry of Transport and Works. So concerned and doubtful was the Minister of Transport and Works during the Budget Debate that he made it perfectly clear what was his programme. He read it out. Unprecedented!

I want some kind of reassurance, and not only me, but all Barbadians, and I am going to say why we want this reassurance too. We want a reassurance that once the Transport Levy funds, which are considerable, have gone into the Consolidated Fund, that in fact, when on a quarterly basis funds are coming down from the Ministry of Finance to the Ministry of Transport and Works, there is going to be a sufficiency for the Ministry of Transport and Works to carry out its bus purchase and maintenance programme.

I want to know also how many new buses, or bus chassis, or bus bodies have been purchased between June 1986 then and now. That is the kind of assurance that Barbadians want. We are again seeing Transport Board buses broken down alongside the road with a frequency that harps back to the early 1970s, and we do not like it. But particularly people want to know about the road maintenance and road building programmes, especially the tenantry and subsidiary road programmes. They want to know about major highways, too.

They want to know about the severely potholed condition of Highway 1. I cannot begin to describe the condition of Highway 1, except to say that yesterday I saw a pot-hole which was so large that a taxpayer rolled a boulder of this size next to the pot-hole to warn members of the public, or to create a situation so that members of the public could not even by accident drive into the pot-hole — it was so deep! That pot-hole was so deep that I believe you would have to put on car lights to see the way out of it. Of course, the action of this member of the taxpaying fraternity, who was trying to be helpful, was a very dangerous action, because a huge boulder like that, with no sign posting, no red light or red rag, or anything close to it at night, I am sure is going to be the cause of a major accident before long.

But Highway 1, certainly from Eagle Hall down to Paynes Bay, is in a serious state. It is just a series of pot-holes. People have put marl into them. People have put cement into them. The problem is not made any easier by the fact that there are several now. I fail to count them, but there are several. That means more than one or two, three or four.

There are several leakages from the broken main along Highway 1, so it is in a very serious state of dis-repair. But that is not a matter for the Transport Levy Fund. That is really a matter for Consolidated Fund monies. But people have these reservations about the Government's move to move the Transport Levy Fund into the Consolidated Fund. They have very serious reservations.

The tenantry and subsidiary road programme is a very important programme to the people in Barbados. Tenantry roads were properly built where no tenantry roads existed before, where there were only tracks for generations and generations. Now people have roads, and the repair of existing tenantry roads is very important. Building major highways is one aspect, but there is a large network of subsidiary and tenantry roads in Barbados which the Transport Levy Fund was repairing and maintaining, and in some instances, it was building new roads for the first time.

I asked a question on the last occasion that I was in this Chamber, and I ask it again. At the time when the Minister of Finance, who is also the Prime Minister, went off to Japan in search of the second Japanese loan, the most recent Japanese loan — people tend to forget there have been other Japanese loans -- he said, among other things, that some of the monies to be borrowed from Japan would go to road repair. I have never heard any further word from the Minister of Finance, nor from the Minister of Transport and Works, who, I believe, is as much in the dark as I am as to what monies from the Japanese loan will go to road repair. This is the question that I constantly ask, and which nobody will answer — if the Government is now finding itself in a situation where we are borrowing expensive Japanese money to do what the Transport Levy, our own monies, was doing in previous years, what is the Transport Levy money doing?

11.45 a.m.

The matter of this most recent Japanese loan is far from at rest, and I must tell you frankly, Sir, that I do not believe the explanation offered to this Chamber by Senator Clarke on the last occasion when I was here. I do not believe the story about interest rates. I do not believe it!

Two late Prime Ministers, Barrow and Adams, always made the point that the worst thing a parliamen-

tarian can do is to speak an untruth to Parliament, and for the first time in my life, unhappily, while I am a member of Parliament, it becomes clear to me that untruths are being spoken to Parliament, both in the other Chamber and in this Chamber as well.

There are unhappy things that I hear, things which I hope will also go to the Committee of Privileges. I am hearing outside on the street that the Hansard Reports in this Chamber and in the Other Place are being tampered with. I am very deeply concerned. It is a very, very serious thing.

Mr. PRESIDENT: That would be a matter for a substantive motion.

SENATOR B. A. MILLER: Oh yes, Sir, and that will come in due course.

It is one matter for a parliamentarian who is a member of the Government in one Chamber to say one thing and another in another Chamber to say another thing. That is common, that happens every day of life. The Minister of Transport in the Other Place has said that the Transport Board subsidy was in the region of \$21 million. Senator Clarke said here on the last occasion I was in here, speaking on the Appropriation Bill, that the subsidy to the Transport Board was of the order more of \$30 million. Of course, the Government owes an explanation of the gap to the people of this country, but that is not the sort of thing that I am harping about, that is the stuff of debate in these Chambers. But when deliberate untruths are told to Parliament, we then have to become deeply concerned about the quality of life in this country and the quality of debate in our Parliament.

The whole question of the Japanese loan is not yet at an end, because the Prime Minister himself — and he is the one who went to Japan for it — said that monies from that loan would be used for road repair, and I really would like some kind of reassurance before the House goes into recess, and the people of Barbados want it, too, because the deterioration of the road system in Barbados is disgraceful. It is such a shocking thing that the road at Paynes Bay leading up to Holders Hill was resurfaced some months ago, and as a result of one downpour of rain — I am not talking about a storm, or a hurricane, or a depression — the surface literally washed away. I know whereof I speak, I travel on it frequently. That is the quality of road repair that we have come to now.

I see it in the City of Bridgetown. A Barber Green machine goes into the New Orleans, and in the course of 24 hours ten avenues are resurfaced. But what is the quality of the resurfacing? The rain starts to fall, but there is no guttering; there is no weeding of gutters for months and months on end, and no gutters formed. We

do not build roads like that, we do not repair roads like that nowadays. But the people in the City know better than that, they are accustomed now to better than that.

I would like to refer the people who resurfaced the roads in the New Orleans to Spruce Street, just off the Nelson Street area, where the road was properly rebuilt, where the Transport Board was made to go down to the road bed and proper gutters and proper drainage were installed.

Everybody knows that the water table is exceedingly high in the New Orleans. When the tide is high, you can look into your toilet bowl and know, if you live in the New Orleans, that the tide is high without having to hear it on the radio, read it in the newspaper or go down to the beach. So drainage is most important.

And you have to know, Mr. President, that there are people in the New Orleans who cannot afford water-borne systems, who still have pit toilets, and it poses a serious health threat. It always has done, but it is a disgrace that in 1988 it is still the case, and in 1988, when we are rebuilding roads, when reassurances were given to the people of the New Orleans that there would be proper roads once the natural gas mains had been put in — and that is part of an infrastructure which is the prelude to the New Orleans Redevelopment Plan — and such a plan exists in a document like this, I know whereof I speak — it is a shocking thing that people would just go in and roll down some Barber Green and think that that is the solution to the problem.

Before the end of this year, once the wet season is over, the people in the New Orleans will be back to square one, and in some cases behind square one. I am only using New Orleans as an example, but that is what is happening right across Barbados. That is why I said at the beginning that I was so impressed with Senator Lewis' statement that the Transport Levy had such a positive impact, and that it benefited — and I hope I am quoting him correctly — the people of Barbados, the length and breadth of Barbados. The people of Barbados know that.

Aside.

SENATOR B. A. MILLER: Yes, he said that! He said that in here this morning.

Aside.

SENATOR B. A. MILLER: Oh yes, they are shameless. They said that. Ask the reporter to read it back for you, if you want to get the exact words. I copied the words down. He said it benefited the people of this country the length and breadth of Barbados. He was

glowing in his compliments. I have never heard so much praise showered on a levy in my life, a levy that was due for abolition but now has been resurrected and transported into the Consolidated Fund.

The people of Barbados have high expectations of the Transport Levy, and over the last 18 months to two years we begin to see the rot setting in again — poor road maintenance, poor road repair. And it is no point blaming the materials. You know, Mr. President, that there is an old-time saying in Barbados that a bad workman always blames his tools. So I do not want to hear that the quality of the material is poor. I do not want to hear that you cannot get the equipment, or that the equipment has broken down, or the equipment has not been properly maintained. I do not want to hear any of that. When we are talking about a levy which raises \$86.75 million and \$1.4 million in interest, I really do not want to hear that, and the people of Barbados are not disposed to stand for it.

We now find ourselves in Barbados in a position that New Yorkers find themselves in. The potholes are so bad that people are buying new tyres at a rate that you cannot believe. This year alone I put two new tyres on my motor car, and it has nothing to do except with the fact that the car falls into potholes on Highway 1, where I live. I live right on the highway, I live at the side of the road. And many people complain of it, I am not the only one.

I remember there was a calypso about potholes not long ago. I see Senator Phillips laughing, because he has clearly heard this year's calypsos. He heard about Barber and the cabbages and others which I cannot mention, because the truth is I have not followed all of them. I do remember the one about potholes, but suddenly the calypsonians are not singing about potholes anymore. There are other wider matters that calypsonians are singing about. It is "rough and tough"! I do not know the calypsoes so good, but I hear a word or two on the wireless, and there are words like, 'I can't party, because it is too rough to party.' You know that in the old-time days you used to hear that the Government was a Government of tar roads and standpipes. It has gone beyond that now. 11.55 a.m.

I must tell you, Sir, that I welcome Senator Lewis' introduction of this Bill. I hope Senator Clarke is taking note and will learn, as he goes along, that this is the way to introduce a Bill. I welcome his words of praise for the Transport Levy, but I am deeply concerned now about the fate of that levy, and I think the people are owed some explanation.

We have just been served with our borrowed copies, everyone here this morning, of the Estimates for 1988-89. When you open up at the Ministry of Transport and Works, Head 42, and you look at the Transport

Board, at page 175, in the explanatory notes, and you look at subhead 8, which provides for financial assistance to the Transport Board by way of subsidy, I would really like to know on behalf of the people of this country what is really the Transport Board subsidy over the last financial year. We see in the Estimates for 1988-89 the sum of \$5½ million, but we know that is a sporting joke. We look at the Approved Estimates for 1987-88 and see \$2 million, and we look at the actual expenditure for 1986-87 and see \$12 350 000. And as I have said already this morning, we could hear the Minister of Transport and Works in the Other Place saying that the Transport Board subsidy is some \$21 million, but yet a couple of weeks ago in here Senator Clarke, speaking on the Appropriation Bill, at the end of the day said that it was some \$30 million. I wrote it down. I remember it clearly.

Mr. PRESIDENT: You can quote the honourable Member from the Record, if you have the Record.

SENATOR B. A. MILLER: I do not have the Record to my hand. I asked for a copy of the Budget Debate and they told me that is not printed.

Mr. PRESIDENT: I am asking that you be sure that he said what you are now saying.

SENATOR B. A. MILLER: It is not for me to certify that. The Clerks are here for that purpose.

Mr. PRESIDENT: They are not making the speech.

SENATOR B. A. MILLER: I was here and I heard him say so, and I heard him say, Ministry of Housing, \$9 million for the purchase of the St. Joseph Hospital and the Savannah Club. He did not tell us specifically how much was spent on the St. Joseph Hospital and how much on the Savannah Club. Then he went on to the Ministry of Transport and Works, \$30 million.

I make this point at the time of the Estimates Debate in March of every year, and I make it again, that I am beginning now to doubt what I see in this book, or, let me put it another way, this book does not represent the truth. And this Mr. President, was part of the affront that members of the Senate felt on that last occasion when we debated the Appropriation Bill, that it is not right that we should not have a full and proper explanation of monies spent and monies to be spent, because that is part of our function in here. No money can be spent unless voted by Parliament, and in this day and age we cannot be expected to lend our support to Bills like this, to the Appropriation Bill, unless full and proper explanation is given to us. That is the least courtesy that we can demand here.

So I really want to hear a little more. It is not sufficient to bring this Bill in here for monies for the Transport Levy Fund now to be deposited into the Con-

solidated Fund. There is a lot more implicit in that move, and perhaps the Government could let us know when it is going to keep its election promise to abolish the said Transport Levy Fund.

I thank you, Sir.

SENATOR L. R. TULL: Mr. President, I am sorry that I was late today and did not hear the introduction of this Bill by Senator Lewis. I have a few observations to make, and I hope that what I say will not be in direct conflict with anything he has said. I have also missed most of what Senator Miller has said, and again I do not want to have a lot of repetition, but I do feel that I have to get a few statements off my chest.

The American Revolution started when a number of colonies decided that there should be no taxation without representation. In the last two years, Mr. President, the kind of representation in respect of road repairs and road building that we have been getting out of the Government has not come anywhere near towards matching the money that they have been pulling in from the Transport Levy. Anybody who is objective would tell you that the roads have deteriorated very rapidly over that period of time, and the work in the tenancies particularly, both the plantation tenancies and the rural tenancies, which was started before the change of the Administration, is the worst that we have had in the 300 years of history of Barbados.

With the implementation of reform legislation with the tenancies and the change of ownership in these tenancies, the previous Administration started a full-blooded road building programme in the tenancies of Barbados. I can rattle off many places like Henley, the Mount and Brighton, and similar places all across Barbados. A lot of the big road building programmes started in tenancies in Barbados came out of the Transport Levy Fund. These funds were brutally criticised by the present Government when in Opposition. The members of the Government told the people of this country, in very strong vitriolic and vibrant language, that they were dead against the levies because they were unfair. The largest union supported at every point, both by words uttered by its leading members and by newspaper articles, supported the abolition of these levies.

I well remember, Mr. President, walking through a district in St. George a week or two before the last election. It was a Saturday morning, and I was greeted by a number of people in that district who were concerned about nothing more than the fact that with the change of Government which they were confidently looking forward to, there would be the abolition of the barefoot tax, as it was commonly called. The fact that Senator Lewis can come in today and speak in glowing terms of the benefits of this levy, and the fact that the Government has not only kept it, contrary to its promise, because they said

they would have abolished it, at a further point they said they would have transferred it.....

Asides.

SENATOR L. R. TULL: Senator Comissiong does not understand the difference between disjunctive and conjunctive. They said at one point that they would abolish it. They said at a subsequent point that they would transfer it to the Consolidated Fund. They have defaulted in both of these promises.

Asides.

Mr. PRESIDENT: Address me. I have not heard Senator Comissiong yet, so I do not know what he said.

SENATOR L. R. TULL: That is exactly why I am telling you, Sir, because I heard what he said.

Mr. PRESIDENT: Address when he speaks here, not when he does not speak here, because those would not be recorded.
12.05 p.m.

SENATOR L. R. TULL: I make sure I get it in for him, Sir.

Mr. PRESIDENT: I understand, but you address the Chair, please.

SENATOR L. R. TULL: I am addressing the Chair. At every point in my five minutes, Sir, I have addressed the Chair. I said, "Mr. President" three times.

Mr. PRESIDENT: Senator Comissiong has not addressed the Chair yet.

SENATOR L. R. TULL: I will stay on the rails, Sir, I will not be derailed.

They promised abolition of the Transport Levy. They have not delivered. They promised immediate transfer of the Transport Levy funds to the Consolidated Fund. That they did not do. It is this kind of breach of promise to the people of Barbados that has this country in the kind of limbo that it is in today.

I was speaking about the work on the plantation tenancies. The Government had stopped the work that was being done in the plantation tenancies. And this past weekend, with all the rains that we have seen in Barbados, there has been an absolute morass in many districts in Barbados, principally those districts where the bulk of the lower income work and live.

The Government also said, Mr. President, that the board of the Transport Levy in the previous Administration was inefficient, was spending money without proper legal authority, and should be got rid of. What they have done is reappointed the same chairman of the Transport Levy Fund who operated under the Barbados Labour Party Administration, even though they complained in those days that things were being inefficiently run and money was being spent without lawful authority. The Barbados Workers Union was represented on the board under the previous Administration and the Barbados Workers Union is being represented now.

I say this for two reasons, Sir. One is that I think it is an insult to both the chairman and to as distinguished an organisation as the Barbados Workers Union for the then Opposition to make the kind of criticisms that they made, criticisms that were meant to put in disrepute the people who served on that board. The second point I am making, Sir, is that if what they said then was true, there is a serious dereliction of duty on the part of Government to have reappointed people who they said were incompetent and were spending people's money without authority.

In respect of the potholes — I heard Senator Miller make some reference to them — things are bad. But what strikes me about this is that about two weekends ago, the substantive Minister of Transport and Works made a statement that the Prime Minister was in Venezuela and was going to borrow \$35 million for road repairs. There are two things that are wrong with that. One is that it was an extremely gauche statement, a very clumsy statement, to be made by a Minister in Barbados before his Prime Minister had even started discussions with the Venezuelan Government, because I am sure that it would have been transferred to Caracas in the space of a few minutes.

I notice that since the Prime Minister has returned, he has said not a word about any loan that he has got from Venezuela. One can draw whatever conclusion or inference one cares to draw from that, that the Minister in talking out of turn jeopardised any chances of a successful negotiation of a loan, or, secondly, that the statement simply was not true. I do not know which one is correct.

I note, Sir, that only \$1 million has been voted for tenantry and subsidiary roads in the Estimates of 1988-89. I know from experience that major works in tenancies can cost that much. I can think specifically of Henley Tenantry, I can think of Pool Tenantry that was done by the Democratic Labour Party, each one of them cost almost \$1 million. The one at Upper Brighton cost about \$½ million. The one in Mount Tenantry cost about \$400 000. The one in Drax Hall cost over \$1 million. So

if you put \$1 million in the vote for tenantry and subsidiary roads, at best you are talking about doing two, perhaps three, roads in the space of one year.

When members of the Opposition, and indeed members of the public, ask the Government for a little bit more openness, open Government, tell us what is going on, there is official lockjaw on the side of the Government. The Prime Minister has a way of saying that he will tell the people as it is, but that has not been the experience.

What we want to know is, what does Government really intend to spend in this financial year on tenantry and subsidiary roads in Barbados? I am speaking specifically of subsidiary and tenantry roads, I am not talking about main highways. I think we get more information on them, because a confluence of circumstances make it necessary for us to know, because they go and borrow the money and they cannot borrow the money in silence. So at least we hear about that. But I am very much asking the Government to let the country know what it is really spending on subsidiary and tenantry roads during this period, 1988-1989.

The Minister of Transport and Works has also said that he is going to start — this is a statement the Minister made about two or three weeks ago — work in this financial year in all of the parishes — in fact, I think he said constituencies — at the same time. It is not a question of moving from one parish to the other — he would be doing work at the same time in each of the constituencies or parishes of Barbados. That is a statement that those of us who know a little bit about these things take with a pinch of salt, because they certainly do not have 27 sets of equipment and 27 sets of competent and able staff to carry out, supervise and manage 27 serious roadworks by Government at any one time. But be that as it may, Mr. President, let us assume that that is the ambition of the Minister. Tell us where the money is coming from? Tell us what part of the Estimates of Expenditure it is hidden in? We really do not know, Sir.

I want, finally, Mr. President, to make another very quick point, because I believe Senator Miller had set very clearly what is the concern of many people in this Community in respect of this road building. In respect of the highway that is currently under construction, I was told by the newspapers that the Minister has said that the works would come to an end in September, I think it was, of this year, next month. A large number of people are involved as workers in the construction of that road. One of the reasons the previous Government gave for a stepping up of the public capital works programme in this country was to alleviate the unemployment situation in Barbados, which everybody who is sensible saw as being

of critical proportion. The construction of that road is coming to an end. I am asking the Minister if he would be good enough to tell us in this Chamber, and those beyond, what substitute arrangement is being made for these people to continue to find employment. Or is the plan to rush up the unemployment figure by another one or two percentage points at the end of the construction of the main highway from Cave Hill to the airport? 12.15 p.m.

The people who are working on the job are asking these questions. The questions did not just come to me. These people have asked me — well, what are we going to do when this contract is over? What are the Government's plans? I tell them, 'I am in no position to speak for the Government. The Government likes a lot of secrets, they do not like to tell anybody anything. But if I manage to eavesdrop and hear anything, I will let you know.' The Government should not be leaving people to eavesdrop.

We heard there was a bunching of projects.

Mr. PRESIDENT: Senator Tull, how do you get these things within the second reading of this Bill? Point that out to me. We are dealing with the second reading of a Bill to amend the Transport Act for the reasons given. How do you get these things within the second reading?

SENATOR L. R. TULL: Very simply, Mr. President.

Mr. PRESIDENT: Stick to the second reading speech, Senator Tull.

SENATOR L. R. TULL: Sir, do you want me to answer the question you raised?

Mr. PRESIDENT: I want to know what that has got to do with the second reading of this Bill, the people are asking you questions from where they are going to get work. The second reading is to give approval to the levy. Stick to the Bill that is before you, please.

SENATOR L. R. TULL: Sir, I heard your question.

Mr. PRESIDENT: I would like you to stick to the Bill that is before us. This is the second reading of a Bill to amend the Transport Levy Act. I will be glad if you do that.

SENATOR L. R. TULL: Mr. President, I heard and understood your question the first time, and with your indulgence, Sir, I am quite prepared to answer the question that you raised.

Second reading is an opportunity for general debate on matters pertaining to the Bill before us. When the Bill goes into Committee, members of the Senate are con-

strained by the Standing Orders of this Honourable Chamber to speak to the particular point in each clause. But in the second reading of the debate one is allowed under these Standing Orders to speak generally on the matter in hand.

I was speaking, Mr. President, about the state of roads in Barbados and employment in relation to roads, all of which touch not indirectly, but very directly on the Transport Levy Fund. The workers in this country have to pay Transport Levy for the maintenance of the roads in Barbados. I have not said anything other than that, Sir.

I want, Mr. President, to say to you, Sir, with great respect, that I know the Standing Orders of this Chamber, and I do everything I can within the four walls of the Standing Orders, Sir. But if Your Honour wants to rule me out of order, I will sit down. I have no time to waste in quarrelling, Sir.

I am glad you want to know a little more about the Transport Levy. The increase of the Transport Levy is another affront to the intelligence of the people of Barbados, because they have been told that they would not have to pay it. But more than that, Sir, it has run counter to what was articulated as the economic policy of the Government. The Government said that they were going to free up money in this country, allow the workers and the businesses in this country to have more money to spend, so that in doing so, they would generate employment and greater economic activity in this country. The continual levying of the transport tax is a negation of the policy articulated by the Government before and after the elections. It is also an attack on a fiscal policy that was also articulated by the Government which said that they would leave more money in the pockets of the people, so that by spending it, they can generate economic activity and keep the factories open, and so on.

Of this \$86 million, how much has been collected in the last two years? That money, Sir, if the Government was honouring its commitment to the people of Barbados, would have been left in the economy to assist the manufacturing industry that is in trouble, agriculture, and help the owners of small hotels to rehabilitate their plant to make them more suitable for the visitors to this country. But this levy is running counter to all of that, and it is a breach of faith with the people and the Government to come week after week with abundant shamelessness and ask us in here to vote for things that they ridiculed a year ago.

I have sat in this seat for the last two years and heard members of the other side, from one end to the other get up in here and say that the previous Administration taxed the people in this country beyond sufferance — they could not bear it anymore. I heard how many

taxes have been collected in the last ten years of the BLP Administration, and that the kind and level of taxation was such as to prove a major disincentive to any real development in this country. I was challenged on that side — if you had the Government again, tell us if you would do things differently. They went into their tents like Achilles and came out sulking, giving us a whole lot of talk and asking us on this side to take what they serve up and ignore and forget the history of the measures that bring these things against us.

We on this side, Sir, are very much against the way in which Government is doing its business. The collection of this Transport Levy is, as I said, a breach of faith of the people. But it is more than that, Sir, it strikes at the very integrity of the Government, because when the people of the country cannot believe the words of the people who are in authority, everything else slips.

I, Sir, did not want to speak with any heat on this matter. I wanted, as usual, to see if the Government was amenable to reasoning with us. But they do not do that, Sir. In fact, they do not have the grace to reason with anybody.

I have expressed my views here.

SENATOR THE HON. N. W. BOXILL: Mr. President, I am sorry to hold up the Chamber, but I cannot allow the honourable members on the other side to make these statements and get away. It would seem that both Senator Tull and Senator Miller have not yet come around to the fact that the people of this country have voted the Democratic Labour Party into power. They seem to think that the people were under some Morpheus state or something like this.
12.25 p.m.

Aside.

SENATOR THE HON. N. W. BOXILL: Mr. President, I heard Senator Miller say that she heard two late Prime Ministers saying that the worst thing one can do is to make an untrue statement to any of our Chambers. Senator Miller has said that somewhere on Highway 1, a pothole is so big that one would have to use car lights, how one person went into it and some man had to put this boulder in the road. I went on Highway 1 on Monday. I went as far down to see the new terminal they are building down there, and nowhere along the road did the vehicle in which I was travelling go into any pothole that you had to use car lights to see your way out.

Aside.

SENATOR THE HON. N. W. BOXILL: I think that the Senator must understand, when she is making certain statements, that there are other people in here who travel, too. I am always on that road.

Asides.

Mr. PRESIDENT: Order! Order! Order, please. This is not the kind of place that two members can talk across the table to each other. You can do that in the lunch room.

SENATOR THE HON. N. W. BOXILL: I am sorry about that, Mr. President, but it would be ridiculous for anyone to say about these potholes.....

Aside.

SENATOR THE HON. N. W. BOXILL: We came and found potholes, there are no maybes about this, everybody knows it.

Aside.

SENATOR THE HON. N. W. BOXILL: We are going to do something about it.

Aside.

SENATOR THE HON. N. W. BOXILL: Shortly.

Aside.

SENATOR THE HON. N. W. BOXILL: All right. I was not the Minister then, I am the Minister now.

Mr. PRESIDENT: Senator Miller, we have to draw this thing to the Senate's attention, because there is a tendency from the outside to want to interfere with the debates in this Chamber, and I would implore you that it is against the rules of this Chamber to be shouting across the table when another member is speaking.

SENATOR B. A. MILLER: I will desist, Sir.

SENATOR THE HON. N. W. BOXILL: Thank you, Mr. President.

Senator Miller and Senator Tull want us to believe that the Bill which we are debating now is all of this glorious Bill. They seem to forget that in the first instance, somewhere in 1948 or 1949, just one cent caused all this problem. The concessionaires had asked for it and the then Prime Minister of the Barbados Labour Party had said they would get this cent over his dead body, he said he would nationalise the bus service before he would pay the concessionaires the one cent more in bus fare. So if now his son came up with this bright idea, as they seem to think it is, to get what you call the barefoot tax, and the barefoot tax has proven to be a successful tax, they are the cause of our getting ourselves in this thing by nationalising the buses. If the buses had never been

nationalised because of one cent, we would not have this problem today spending all the taxpayers' money to keep the buses going.

From 1948 — 1949 is when this came about, but these two Senators would be too young to know about these things. They do not read enough. That is the problem with them.

Senator Miller also stated that the roads are so bad that she had to change two tyres within this year. I do not know what kind of tyres she has, or what kind of car she uses. Everybody knows that I drive a Stellar, which is a fairly heavy car. I bought my Stellar in 1985, and it still has the tyres on it, and they are still good, so I do not know where she was running. Maybe she was running up and down on some rough road rubbing off the tyres in order to come in here and talk.

Aside.

SENATOR THE HON. N. W. BOXILL: I travel on Highway 1 almost as often as she does, Sir.

Aside.

SENATOR THE HON. N. W. BOXILL: I am not quarrelling.

Aside.

SENATOR THE HON. N. W. BOXILL: You were debating, but I am quarrelling. I have to quarrel, because statements have been made against the Government, which I represent, unfairly and untruthfully.

The Leader of the Senate, who introduced this Bill, gave a lot of information which I do not have to give, and I thought he had given a lot more information than he needed to give. But as a result of that, in order to get.....

Did you see that the reporter ran out right away? Nobody else is going to talk after Senator Tull and Senator Miller have spoken!

Mr. PRESIDENT: Do not deal with the reporters. They are not members in here.

SENATOR THE HON. N. W. BOXILL: I understand but the headlines tomorrow would be this big thing bombarding the public with what Senator Tull and Senator Miller said, so nobody else in the Senate speaks beside Senator Tull and Senator Miller.

Aside.

SENATOR THE HON. N. W. BOXILL: The Senators on the opposite side should know better than that.

I am not going to hold up the Chamber, I just want to make a few corrections. Do not say that you had been doing all these tenantry roads, because we also know that the Tenantry Act came in long before you started doing any tenantry roads, and you only did a few tenantry roads with all the money you had collected.

Aside.

SENATOR THE HON. N. W. BOXILL: No. I am not making sport, I am serious.

We have plans to use the money. The honourable Members talked about the DLP saying they were going to abolish the thing. I do not know if they did say that, I do not remember, but what I do know they said, and that was in our Manifesto, is, if I may read from it:

"MISCELLANEOUS FISCAL MEASURES

Legislation will be introduced to impose a requirement that all taxes, levies and imposts be paid into the Consolidated Fund."

As the honourable Member knows quite well, there was a Minister, and we had to go down into St. Lucy to look at some land. I do not know if the funds were used for the development of the particular area adjacent to his land, but one of the reasons for this is that the taxpayers' money cannot be used willy-nilly by Ministers. The object is to get it into the Consolidated Fund, and in order to get it out, it has to come to Parliament. I do not understand how the honourable Members are trying to play that they did not know that, because they were members of that regime that this was happening under.

When they were doing the bridge in Bridge Road, we all know what took place there. As a result, this thing had to be curtailed, and this is one of the reasons that it was stated here clearly that it would have to go into the Consolidated Fund. The honourable members know this as well as I do, but in order to think they are scoring points, and cheap points, because they are not really scoring any points, they are accusing us of all sorts of things.

I say categorically that the money will be used for the benefit of the people that it has been earmarked for. I am saying it will be used, and used shortly.

Aside.

SENATOR THE HON. N. W. BOXILL: The subsidy to the Transport Board? I do not know what that is. I do not have that.

Aside.

SENATOR THE HON. N. W. BOXILL: Mr. President, that has nothing at all to do with what I am saying before the Senate today. The point I have made is that it would be unfair for Senator Miller to make these statements about Highway 1, when I travel on Highway 1 almost every week. I travelled on Highway 1 up to Monday. What the Senator could have said, and I drew this to the attention of the Chief Technical Director, is that the roads were not being weeded as they should have been. There was quite a bit of grass growing alongside the roads. The gutters wanted cleaning. If she had mentioned these things, I could agree, but that has nothing at all to do with this Bill.
12.35 p.m.

In any case, if there were potholes in the road, the subsidy was not for potholes, because that would have come out of the Consolidated Fund and not under this Bill with which we are dealing.

I thank you, Sir.

SENATOR THE HON. A. MORRISON: Mr. President, I should like to commend the Government for carrying out one of its election promises of putting the levies into the Consolidated Fund. That was part of the policy enunciated in our manifesto, and I am glad that we have been able to do so for the purpose of accountability. I think that as we go along, we might be able, as we have also promised, to abolish all levies. We hope the time will soon come when we will be able to abolish all these levies.

We have heard a lot of debate here today, too, about tenantry roads. But if I remember correctly, Sir, there was a time in the last couple of years before we took over office that it would have appeared to me, or to anybody, the disinterested observer, that the then Government was more interested in building new roads than in servicing the roads that were done.

Asides.

SENATOR THE HON. A. MORRISON: I said it would have appeared to me at the time, or to any disinterested observer, that the way the Government went about the Northern Access Road and the West Coast to Airport Road, they were going for major road building, and the evidence was at that time that we inherited many roads which were not being maintained. And not only roads, Sir, several Government buildings were not being maintained in that period.

I am very glad to hear today that Senator Tull was saying that we should get down to the business of doing our tenantry roads, because that was not the tune in the last five years when they were in power. They were embarking on a policy of building new roads for the country.

They neglected all of those tenantry roads, to the extent that we had all kinds of calypsoes.....

SENATOR L. R. TULL: On a point of order, Mr. President: There is a Standing Order of this House which states that no Senator should mislead the Senate, and Senator Morrison is doing exactly that.

Mr. PRESIDENT: That is his opinion.

SENATOR L. R. TULL: The state of a man's mind is a fact.

Mr. PRESIDENT: Senator Tull, are you going to suggest that if he said what he said, he is misleading the House?

SENATOR L. R. TULL: You have not heard me yet, so you do not know what I am saying.

Mr. PRESIDENT: To say that he is misleading the House is a positive statement.

SENATOR L. R. TULL: It is a positive statement, and I am about to show how the statement is misleading, but I have not had a chance to do so, Sir.

Mr. PRESIDENT: You started off by saying he is misleading the House.

SENATOR L. R. TULL: That is the basis of the Standing Order that he is in breach of. I have to start off by mentioning that.

Mr. PRESIDENT: You have to start off by saying what he is misleading the House on.

SENATOR L. R. TULL: Oh Lord, Sir, it is the other way around!

Your Honour, I am going. I thought I had to state the Standing Order on which I am rising and then state the fact.

Mr. PRESIDENT: State it, but you all want to get up and say something and then debate it. I am not going in for that.

Continue, Senator Morrison.

SENATOR THE HON. A. MORRISON: Mr. President, I prefaced my remarks....

Mr. PRESIDENT: I have to warn you also that there must be no talking across the Chamber.

SENATOR B. A. MILLER: On a point of order: I am quoting.

Mr. PRESIDENT: Raise the point of order.

SENATOR B. A. MILLER: The Standing Order which was just quoted by Senator Tull.

Mr. PRESIDENT: Raise the point of order, Senator Miller, not what was quoted by Senator Tull. Raise your point of order. Speak for yourself.

SENATOR B. A. MILLER: My point is that Senator Morrison is deliberately and knowingly misleading the Chamber. In these Estimates.....

Mr. PRESIDENT: What point of order are you raising?

SENATOR B. A. MILLER: Here it is, Sir. It is to be found in these Estimates, which are on the table before every Senator today.

Mr. PRESIDENT: Senator Miller, I am asking you to guide me. What point of order are you raising?

SENATOR B. A. MILLER: At page 181, Head 84, Ministry of Transport and Works.....

Mr. PRESIDENT: No, no, no. I am talking about the Standing Order you are quoting.

SENATOR B. A. MILLER: The Standing Order which says that a member may not mislead.

Mr. PRESIDENT: No, no. What Standing Order are you raising?

SENATOR THE HON. A. MORRISON: Mr. President, may I continue?

Mr. PRESIDENT: No, the Senator has raised a point of order.

SENATOR B. A. MILLER: If you do not have any manners, the President has some. You cannot interrupt me that way.

I cannot find the rule, but I know it is here though.

Mr. PRESIDENT: The Rules have the points of order you can raise, so you should be able to find it.

SENATOR B. A. MILLER: Standing Order No. 34(5) — Improper Motives.

Mr. PRESIDENT: Senator Miller, it seems you cannot find the point of order, therefore you must take your seat.

SENATOR B. A. MILLER: I am making my point of order.

Mr. PRESIDENT: I asked you to state your point of order. We have rules. You have to tell me what is the point of order.

SENATOR B. A. MILLER: The point of order is this, and you can rule on it.....

Mr. PRESIDENT: No, no, I am not ruling on that. State the Standing Order that you have raised. We have Standing Orders here and you have a copy. Draw it to my attention what you are rising on.

SENATOR B. A. MILLER: I am on a point of order: I do not have to refer to any particular Standing Order. The point of order is that Senator Morrison is deliberately and knowingly misleading the Senate.

Mr. PRESIDENT: What order does that come under in our Standing Orders?

SENATOR B. A. MILLER: It does not have to come under any Order. That is just my point of order, and you are entitled to rule on it.

I am saying that in these Estimates which are on the table of the Senate, at page 181, under Head 84 — Ministry of Transport and Works, Subhead 8 — Private Tenantry and Subsidiary Roads, the explanatory note says:

"provides for the ongoing improvement to tenantry and subsidiary roads throughout the Island."

So it is misleading for Senator Morrison to get up and say that the previous Government had no programme. That is the point. He said we did not have any tenantry road repairs programme. That is an abject lie.

Mr. PRESIDENT: Would you take your seat, please? That is no point of order.

SENATOR THE HON. A. MORRISON: Sir, I prefaced my remarks by saying that it would appear to me, or to a disinterested observer, that the way the last Government went about doing main roads and building new roads, they left a lot of tenantry roads undone, and we had a calypsonian who even sang a song on the pot-holes in Barbados.

Asides.

SENATOR A. MORRISON: The main roads went undone.

(*Aside:* SENATOR B. A. MILLER: The people will judge.)

SENATOR THE HON. A. MORRISON: That is right.

All I am saying, Sir, is that a lot of tenantry roads were left undone, and I was glad that Senator Tull made the point in his contribution that we should be now concerning ourselves with them, and he was hoping that we

would use the funds from the Transport Levy, or wherever we get the funds from, to bring the tenantry roads up to date. I was merely referring to what he said.

SENATOR L. R. TULL: On a point of order, Mr. President: The Honourable Senator is misleading the House, because he is putting words in my mouth that I did not use. I did not say that you should now spend the money to do the tenantry roads. I said a lot of things, but I did not say that. If you do not understand English, do not blame me for that. I did not say so, and you must not misquote me. I am the best authority on what I say, not a lot of nitwits on the other side.

SENATOR THE HON. A. MORRISON: You said, among other things, that

Mr. PRESIDENT: Will you proceed? Those are not matters of substance.

Asides.

Mr. PRESIDENT: I object to that, Senator Tull. Though you were not addressing the Chair, I can hear you from here, and if this disorder continues, I will take the Rules into my hands and deal with them.

SENATOR THE HON. A. MORRISON: There were more pot-holes in this country.....

Mr. PRESIDENT: Would you address the Chair, because this disorderly business is not in the best interest of the Senate. You are not dealing with a matter of substance at all.

SENATOR THE HON. A. MORRISON: As I was saying, I am glad the Government was able to carry out one of its election promises in its manifesto of paying that money into the Consolidated Fund for the purposes of accountability. We also said that another iniquitous levy which was levied on the people of this country, the Agricultural Levy, would be abolished, and I hope that the time will come when we will be able to refund the people of this country the money collected through the Agricultural Levy, which was paid by the poor people of this country at that time. At that time the Government was the biggest land owner in this country, and they never paid one cent.

Asides.

SENATOR THE HON. A. MORRISON: Sir, with those remarks, I would like to commend the Government.

Mr. PRESIDENT: Senator Miller, why do you think it is your prerogative when you are in your seat to be interrupting speakers when they are addressing the Chair? 12.45 p.m.

SENATOR B. A. MILLER: That is all right. I am on a point of order, Sir. I will answer you. I apologise for speaking when I was sitting. I really should have gotten up and referred to the Standing Orders which require members to be relevant. This is a matter to do with the Transport Levy and the Ministry of Transport and Works, and I do not know what Senator Morrison is doing in the Ministry of Agriculture.

Mr. PRESIDENT: I do not hear that. You were very impolite to the Chair. I am going to bring this to a halt. I am warning you. I am not going to be patient all the time. I do not have an overdose of patience.

Proceed.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, before asking that we proceed with the second reading, I would like to draw the attention of the Chamber to a statement made by Senator Miller earlier which is factually incorrect. She accused Senator Clarke on another occasion of reading out a list of items, including the Ministry of Transport and Works, for which there was a supplement. The extract of this Honourable Senate reads: "Head 42, Ministry of Transport and Works, \$13 million". I should just like to draw that to your attention.

The question that this Bill be now read a second time was put to the Senate and was 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. LeL. JORDAN in the Chair.

Clauses 1 - 3 inclusive were called and were passed.

Clause 4 was called.

SENATOR THE HON. L. V. H. LEWIS: I beg to move that Clause 4 stand part.

SENATOR B. A. MILLER: Mr. Chairman, clause 4 of this Bill is seeking to amend the Schedule of Cap. 92A of the Laws of Barbados. Cap. 92A is the Transport Levy Act, and the Schedule to that Act states at paragraph 3:

"A member of the Board"

meaning the Transport Levy Board:

"holds office for a term of 2 years unless he earlier dies, resigns or is removed from office."

But:

"(a) a member who is appointed to fill a vacancy created for any reason holds office for the unexpired portion of the term of the former member;"

And:

"(b) every member is eligible for re-appointment for a further term."

That is the law of Barbados.

This Bill before us this morning is seeking to amend that to read, as we see in the Bill:

"A member of the Board" should hold:

"office for a term of 9 months or such shorter period as the Minister directs unless he earlier dies, resigns or is removed from office;"

et cetera, et cetera, et cetera.

Are we to understand, Sir, that the Government is seeking in this Bill to create a situation where members of the Transport Levy Board would be appointed for a term of nine months as opposed to two years? We know, according to the Acting Minister in this Chamber this morning, because we heard it from him it is his theme tune, that the people elected a Government to the tune of 24:3 on May 28, 1986. And we know that you have an embarrassment of riches in that there are yardfowls for whom jobs and appointments have to be found, and in the boards we are now going through musical chairs. But nine months, Sir?

According to all reason, if you really want to expect the Transport Levy Board, which has been the subject of several encomiums from Senator Lewis this morning, to do its business, are you going to appoint a member for even less than the period of one financial year? Surely the people of Barbados are entitled to some explanation as to why the law of Barbados is being amended so that every nine months, in the Transport Levy Board it may be possible to disappoint and reappoint people. What rationale could there be behind this? I should have thought that two years was the very least, in terms of a period of time, for which somebody could reasonably be expected to make a contribution to a board as important as the Transport Levy Board.

There are boards coming up now, we are told, to the two-year period. Senator Phillips is smiling at me again. I hear you are going to be chairman of the new National Bank board, man. Stroke, man! I congratulate you.

Mr. CHAIRMAN: Senator Miller.....

SENATOR B. A. MILLER: Yes, I am talking to you, Mr. Chairman. I am addressing the Chair, Sir.

Perhaps the Acting Minister, who is in the Chamber at this time, or Senator Lewis, might like to explain to us, why the Government finds it necessary to amend this so that a term of office may be no more than nine months. It does not strike us on this side that this makes any sense at all, not in the way that the business of Government is done. It should be at least the period of one financial year. This is just amending the law for the sake of it.

SENATOR THE HON. L. V. H. LEWIS: The answer, Mr. Chairman, is very simple. If one reads the Bill in its entirety, one understands that if there is no fund after June 1, 1988, there is no need for a board to administer it. Therefore, the period of nine months is provided to allow the board time to complete its work and not to remain on *ad infinitum*, and there would be no need to revoke any appointments. That is the reason for the nine months.

The question that clause 4 stand part was put to the Senate and was agreed to.

Clause 5 was called and was 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.
12.55 p.m.

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

SUSPENSION OF SITTING

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move that this sitting be suspended for one hour and that Senate resumes at 2.00 p.m.

The question that the sitting be suspended for one hour was put to the Senate and agreed to, and Mr. PRESIDENT suspended the sitting accordingly.

ON RESUMPTION

COMMITTEE OF PRIVILEGES

APPOINTMENT OF SENATOR A. MORRISON TO THE COMMITTEE

SENATOR THE HON. L. V. H. LEWIS: Before dealing with Order No. 2, I crave the indulgence of the Senate, Mr. President, to deal with a matter relating to Sessional Select Committees.

Earlier when we were dealing with the matter of Committee of Privileges, I omitted to ask permission of

the Senate to name a person to the Committee of Privileges to succeed Sir Frederick Smith, who was a member.

I have consulted, Mr. President, with the members of the committee, and if there is no objection, I am advised to name Senator Anderson Morrison to be a member of the Committee of Privileges under Standing Order No. 64.

I so move.

Mr. PRÉSIDENT: I move that Senator Anderson Morrison be a member of the Committee of Privileges. If there is no objection, Senator Morrison is nominated to be a member of the Committee of Privileges.

INCOME TAX (AMENDMENT) ACT, 1988

Order No. 2 was called – to move the second reading of a Bill to amend the Income Tax Act, Cap. 73.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, the Income Tax Amendment Bill seeks to give effect to certain budgetary proposals given by the Prime Minister and Minister of Finance at the last Budget presentation.

Section 11 of the principal Act is amended to take into account what is considered to be assessable income.

Section 4 of the Bill before us seeks to give effect to the Tourism Development Fund being deductible for Income Tax purposes up to 150 per cent.

Section 5 of the Bill deals with the loss carried forward, and seeks to allow up to 50 per cent if profits are made in any one year. Or after incurring losses in prior years, then, of course, in the first year after the losses in which profits are made, up to 50 per cent of the profits can be deducted for tax purposes.

Section 6 seeks to give some remedy to people who would normally subscribe to co-operatives. In the past, if one subscribed to a co-operative society after January in that year, contributions were not allowed to be deducted for tax purposes. This seeks to allow one to make the deductions irrespective of what time of the year such deductions are made.

Section 37(1) maintains that the improved value of property up to 7.5 per cent would be allowed for tax deductions on maintenance, repairs, and improvements. For chattel houses, up to \$5 000 will be allowed for Income Tax purposes, and this retains the deduction made for solar water heating.

The Act shall be deemed to have come into operation with respect to the amendments directed to be made

on Section 4 from income year 1987, and with respect to the amendments directed to be made by Section 7, from income year 1986. Apparently, these give effect to the Budgetary Proposals delivered on April 7, 1987, and for which the necessary legislation was not put in place. The other amendments come into effect from income year 1988.

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

SENATOR J. S. GODDARD: Permit me to deal with two aspects of this Bill before us, Mr. President. The first is the Tourism Development Corporation. I should make it known that I was very involved in the formation of that, but I had to retire from it at the end of December last year due to illness.

I want to commend the Government in seeing the wisdom of this joint enterprise, if I may call it that. It came about after the Budgetary Proposals of 1986, when tax relief and tax concessions were granted to the private sector in order to stimulate the economy. It was recognised that at that time the development and promotion of tourism was a priority, because really, it was tourism and the construction industry that was keeping the economy going. Other members of the private sector and I had considerable discussions with the then Minister of Finance, and we developed this concept of companies contributing, for a period of 3 years, three per cent of their taxable income to this fund and being able to claim 150 per cent of that contribution for tax purposes.
2.05 p.m.

I am very pleased to report that it was very strongly supported by the larger companies in the private sector. I think practically every public company in this island contributed, and some of the larger private companies, and it was the intention that the membership would be expanded to cover more and more private companies until you had not just maybe 30 contributors, but over 100, and the number would expand in time.

I have here, Sir, a copy of the audited financial statements of the Tourism Development Corporation for the year ended March 31, 1988, which I can make a document of the Senate. If you will permit me, I will just read one paragraph from the director's report, and I am quoting:

"As you will note from our financial statement, most of the funds spent or committed have been on the support of charter programmes where we are able to measure the success of the programme. In addition to this, a large part of the funds has been co-operative funds whereby we have tried to get additional mileage for the island by supporting

co-op programmes with the Barbados Board of Tourism, various hotels, airlines and tour operators. This often means that we get a multiplying effect of four times for the dollars spent."

The main beneficiaries of this programme were the smaller hotels, because it was aimed primarily at the summer tourist market. Charters out of Canada — I am referring to Thomson Tours — and tours out of England — the Air Tours — were very instrumental in assisting the small hotels, which, otherwise, would have had a very lean summer. It also assisted the restaurants, the taxi drivers, the bars and all the ancillary services that go to support the hotel industry.

I am commenting on this because it, to me, illustrates what can be done when a Government, regardless of which party is in power, and the private sector put their heads together in the common interest. I wish that more of this could take place.

I should mention, however, though, Mr. President, that the plan was predicated on the level of corporation tax remaining at 35 per cent. It was 45 per cent, it had been reduced to 35 per cent. Although there has been no increase in the level of corporation tax, there has been a surcharge on corporate profits of seven and a half per cent. All the members, I think, except one, have indicated that in this year they will continue their contributions, in the spirit in which they entered into membership of this corporation. However, they have made it unmistakably clear that if the surcharge remains next year, or the level of corporation tax is increased, they have no obligation whatsoever to continue supporting this corporation.

Just for information, Sir, I should mention that the revenue received last year, and again I am quoting from the audited financial statements — I mean the last financial year ended March 31, 1988 — was \$1 973 403, of which \$1 334 000 was spent on promoting Barbados for the benefit of Barbadians.

I would like to make one point before leaving this, Sir. I think the impression was created that this was designed to assist the big hotels. That is a misconception. The beneficiaries were the small hotels and the ancillary services, but Barbados benefited, because no dollar circulates as fast in the economy as the dollar that a tourist leaves in this island.

If I may now move on, Mr. President, to the second point, the loss carried forward, having handed out the bouquet originally, I must now hand out the criticism. I think this was a retrograde step, in that whereas the period of loss carried forward had been extended from five to seven years, I think in the previous Administration, the Budgetary Proposals reduce it again to five

years. But more significant than that, if I may read from the Minister of Finance's Budgetary Proposals of April 28, 1988: "Effective from this income year, companies will not be permitted to carry forward losses beyond 5 years and will not be allowed to use losses to reduce their tax liability by more than 50 per cent. It is expected that \$2.0m will be saved through this adjustment."

The effect of that — it may not have been the intention — is to punish companies which have started out undercapitalised and prevent them from restoring capital that has been lost due to unsuccessful trading operations. By normal standards, virtually all companies in Barbados are undercapitalised, and anything that we can do to assist them to restore capital should be welcomed. This militates against that. It especially hits small incorporated businesses which, almost by definition, tended to be more undercapitalised than the larger companies, and whereas they need all the assistance to restore their capital, especially those that are starting out, because normally companies will lose money in the first two or three years of operation, yet they are now being penalised by the introduction of this amendment restricting the losses that the tax liability may not be reduced by more than 50 per cent.

So while the Minister of Finance may have been looking to find an additional \$2 million in Government revenue, I really see this as a penalty. I am not saying it is intentional, I am saying the effect is to penalise companies, especially small companies, which we are trying so hard to encourage in this island, from restoring capital that has been lost.

I am told, but I am not sure, Sir, that this is what presently obtains in Trinidad. That we should have used as a warning, not as an example. I do know that in some of the OECS states this 50 per cent obtains, but there is no time limitation. You are restricted to the 50 per cent, but *ad infinitum*, which allows the company to recover all of its tax losses over time. Here it is the double imposition of the restriction of 50 per cent and the time restriction of five years.

Mr. President, I would just like to bring that to your attention and that of the Senate. I hope that next time around a serious look will be taken to helping the companies, especially the small companies, which need all the support they can get.

I thank you, Sir.

SENATOR B. A. MILLER: Mr. President, I could not agree with Senator Goddard more on this question of the Tourism Development Fund, except that, perhaps, I would like to go a little further than Senator Goddard. 2.20 p.m.

Senator Goddard has rightly made the point that the private sector came together with the public sector in this Tourism Development Corporation, and that it was designed, perhaps, to help more the small hotels and guest houses than to help the large, well-established hotels in the Barbados hotel industry, and — Senator Goddard made the point more than once — the ancillary services. That is where I would go further, because in my view, and this is not an accusation, it is simply a statement of fact, the private sector's initiative in this matter was a self-serving one. How else can it be? That is the nature of the private sector, it is there to make a profit, and the whole reasoning, the rationale, the thinking behind this Tourism Development Corporation was to enable the private sector to help itself and, by extension, to help the public sector as well.

Some \$2 million was raised in the first instance. But you only had to look around the private sector and see that Cave Shepherd and Company right on Broad Street tripled the space of its tourist souvenir facility on the ground floor, and several other businesses. Goddard Enterprises is well known for its supermarket businesses, and Barbados Shipping and Trading. All of them are part of the spin-off from this, and that is what I mean when I say self-serving, and I repeat that I do not say "self-serving" in any derogatory or accusatory manner. That is the business of the private sector.

But I noted at the time that the private sector was careful not to trust the Government with the administration of this fund. Very wise! And I listened with interest to hear Senator Goddard say in very clear, unequivocal language that the private sector will not be disposed next year to continue subscription to the Tourism Development Fund if something is not done about the indirect way in which the Government has been further taxing the companies of Barbados and the corporations of Barbados, if they are not shown some sort of relief at the time of the next Budget. They will not be able — it is not a threat, it is a statement of fact — they simply will not be able to continue their contribution to the Tourism Development Fund.

I would be interested in seeing an arithmetical calculation. Senator Goddard is quite right. In July 1986, the corporation tax was reduced from 45 per cent to 35 per cent. Massive! We were told that that would have realised in excess of \$25 million in the hands of the corporate sector. Of course, we know everything else that failed to flow from that. All the money which was to trickle down and the ripple effect which was supposed to have moved off from that in terms of employment and business expansion just did not come to pass. We saw massive dividends paid at the beginning of this year, and you could not pick up a paper from week to week without seeing every company declaring what a wonderful year they had had, so they got their reward, so to speak.

In relation to the last Budget, I would be really interested to see an arithmetical calculation to show if, in fact, the whole ten per cent, or less than it, or more than the ten per cent, was about to be taken from the corporate sector in the form of this matter that we see before us.

I agree with Senator Goddard entirely that it was bad enough that the Government is reducing the seven to five years for the write off, but the not more than 50 per cent is really hurting small businesses. There are many people who would like to start a small business, but advised, are terrified. The prospect of not being able to write off their tax liabilities in the way that they formerly thought they might have been able to do has put people off.

And there are some businesses in the public sector — I suspect that Senator Goddard is too polite to say so — which feel that they have been betrayed by the Government, that what the Government gave them with one hand in July of 1986, it took back in April of 1987 with the other hand. They do feel betrayed, and they do not feel disposed, as they formerly were, to be part of any joint venture with the Government if the Government is going to play fast and loose and hot and cold with them. And you cannot blame them, because it is their business out there to make money, not only for themselves, as Senator Goddard has quite rightly pointed out, but so that the rest of Barbados can benefit from the spinoff as well.

Small businesses are going to be crippled by this, severely crippled by this. It is true it is a budgetary measure, but I should like to suggest that the Minister of Finance, if he wishes to keep the confidence of the business sector in this country, should very seriously review this particular proposal, possibly with a view to reversing it at the earliest possible opportunity, and that does not necessarily mean that he would have to wait until April 1989. It is going to work great hardship, and the business sector anticipates it with great dread.

I thank you, Sir.

SENATOR L. A. WARD: Mr. President, Senator Goddard, like I did, brought along the Prime Minister's Financial Statement and Budgetary Proposals and has quoted exactly what I had intended to quote. But, nevertheless, the points have been made, so I would not go back over everything that he has said.

Senator Goddard has also explained all about what has happened with the three per cent, what was put into the Tourism Investment Corporation and what has been done with it. I will not go over that again.

Sir, we all know that from the time of the strengthening of the American dollar, and consequently, the Barbadian dollar, in the early Eighties, it has put a lot of strain on all the exports and the things that have had to compete in foreign markets. The sugar industry has built up terrific losses, and now if any one sector of the sugar industry did make a small profit, it can only apply 50 per cent of those massive losses against the profit before it would have to pay them the 7.5 per cent surcharge, which I think would be the next item on the agenda, and I have no reason to believe that it will not be passed.

Tourism found itself in the same mess. It had to compete for foreign currency against other people whose currencies were not appreciating like the Barbados dollar from year to year, and when I say tourism, I speak of the hotels that were losing a lot of money, the taxis were affected, restaurants were affected. When you come to manufacturing, Sir, that was even worse. Some of those which were foreign-owned manufacturing plants closed down and left the island. They could do it, but the ones that were locally-owned had to stand and fight and build up losses. There are those which are not bankrupt yet, but they still have a lot of huge losses. It means, Sir, that if those hotels, probably manufacturing plant and so on were to get in a profit position, before they could write off all of their tax losses or put all of it against the profit, they would have to pay 50 per cent tax. And, really and truly, Sir, it is going to work to more than 50 per cent tax, because the 50 per cent plus the 7.5 per cent is 57.5 per cent, leaving 42.5 per cent which they could use to reduce their bank debts.

2.30 p.m.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Mr. President: I think there is something wrong with the arithmetic that we have just had. You will pay it on 50 per cent. You would be able to deduct up to 50 per cent for tax purposes of the profits for that year. But then you will pay at the corporate tax rate, 35 per cent, and then the surcharge, which is 42 and not 57.

SENATOR L. A. WARD: Thank you, Sir.

The point I was trying to make is that the 50 per cent tax loss that you would be allowed to deduct will leave 50 per cent, on which you would pay corporation tax, which would be 35 per cent. But I think I am correct in saying — if I am wrong I would like to be corrected again — that the 7.5 per cent that you would have to pay would be on your taxable profit. So it is the 50 per cent that you would have to pay taxes on, and the 7.5 per cent. So actually you would be left with 42.5 per cent, because you are paying 35 per cent on the 50 per cent, but 50 per cent has been written off. So you have 50

per cent that you are allowed on your tax losses, but then you have to pay the 7.5 per cent in addition to that. Am I correct?

Asides.

SENATOR L. A. WARD: No. On the whole thing. Is that not right? On the whole thing?

Sir, this, to my mind, is not going to affect big companies which have been making profits and had no losses in the past. Those big companies will be paying their tax, as they have in the past. But where it will affect a big company is if that big company has been going through a lean period, and it has had tax losses, which should be available to this big organisation to write off. If this extra pressure would be enough to send that company under, it will mean that there will be loss of jobs.

But the real crux of the whole thing is the point about small businesses. Any small business man with a good idea who was thinking of setting up a new business will be giving that a second thought. We all know that in the first two or three years of a corporation, until the fellow gets, if it is a manufacturing plant especially, his employees trained and gets his product satisfactory, then he has to go and find markets, it is probable, I think it is general experience, that the business will lose money. To give an example, if a person sets up a small business and in the first year he loses \$50 000 and another year he loses \$30 000, the next year he breaks even, and in the fourth year he makes \$10 000, he has come from a loss position into a profit position. Of that \$10 000 he can only use \$5 000 of his tax losses. Therefore, he has to pay corporation tax on the other \$5 000, and then he has to pay a surcharge, which will mean, that the Government will be getting out of the man's business more of his profit than the man will be able to reduce his bank losses. This, Sir, as Senator Miller said, is going to be a real fact that the man who is going to set up a small business will have to examine. This is something that he did not have to worry about in the past, but now he is going to have it to face. Even banks will be more cautious about lending money to a small businessman to start a business, because the banks will know that the moment the fellow comes into a profit position, he is going to find that he can only write off 50 per cent of his losses against his profit.

So much has been said by Senator Goddard and by Senator Miller about what I had intended to say. I agree with them that this is going to be a detriment to people who are looking to set up a small business. They are going to be examining that small business carefully before they venture into something like this. But I believe all of us would like to see for this country that more small businesses are set up and give a chance to individuals to work for themselves.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, there are a few comments I should like to make to allay some of the concerns expressed by the other side. First, I should like to make it clear that the Prime Minister and Minister of Finance in his Budgetary Proposals said that the surcharge will be on — we are not discussing that, but it was in the debate — on for 11 months and it ceases at the eleventh month. At the end of this financial year, it ceases. Given the state of the country's finances at that point, who knows, we might take that form or some other, but this as we know it will cease. This has been said, and it is written into the Budgetary Proposals, and I do not think that we should go fishing along those lines.

On businesses and tax losses carried forward, businesses are set up to make money, not to lose money. That is the first step. If an individual does not work for ten years and he gets a job in the eleventh year, he pays income taxes. In the eyes of the law, a corporation is a person. It has enjoyed the special provision and position of not paying taxes and carrying forward the losses. Compare it now with the individual who might walk the streets for years without finding a job, from the day he becomes employed he must begin to pay taxes. Why then must we set apart the corporation from the individual? Think about it.

Furthermore, we have seen cases advertised in the local newspaper where companies have been offered for sale and the attractive feature about them is that they had tax losses to be carried forward. We are asking that you pay corporate income taxes not on losses, not on gross sales, but on profitability. The individual when he works, he is required to pay it from day one on the salary he earns, regardless to how long he was out of work.

Senator Ward mentioned that banks would be somewhat tardy now to lend small businesses money. I think it is an unfortunate statement to make, because I would hope that the banks, now that they lend money, will do it on the viability of the company, based on the business plan that is applied to them, and not in the hope that it will have a loss to carry forward, because if it is a loss position, certainly you cannot expect him to service the loan. He will hope to make profits from day one.

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

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, since this is a money Bill, I move that this Bill be read a third time.

The question was put to the Senate and was agreed to.

On the motion of Senator the Hon. Dr. C. D. CLARKE, the Bill was passed.
2.40 p.m.

SURCHARGE ON INCOMES ACT, 1988

Order No. 3 was called — To move the second reading of a Bill to provide for the imposition of a surcharge on incomes and for related matters.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, the Surcharge on Incomes Bill before us is to give effect to certain budgetary proposals as outlined in the Financial Statements and Budgetary Proposals of the Prime Minister and Minister of Finance.

When all the personal income taxes up to 1985 were calculated, there were 55 143 people on the income tax rolls. When the people earning \$15 000 and less were removed from the income tax rolls, we were left with 21 991 people on the tax rolls. Given the level....

SENATOR B. A. MILLER: On a point of order, Sir: Could I prevail upon you, Sir, to ask Senator Clarke to repeat what he just said. I am afraid it is not clear.

Mr. PRESIDENT: Is that a point of order really?

SENATOR B. A. MILLER: A point of clarification.

SENATOR THE HON. Dr. C. D. CLARKE: The 1985 data I am reading from, Mr. President, states that when income taxes were removed from people earning \$15 000 or less per year — in 1985 there were 55 143 taxpayers total — we were left with 21 991.

Bearing in mind there was a level of Government services which had to be maintained, but then you had certain non-discretionary expenditures, such as debt service and personal emoluments, which had to be honoured, and consequently, if we were to maintain those levels of services, revenue had to be found, we recognised that there was some waste in Government expenditures and we have taken steps to try to have greater efficiency in terms of Government expenditures.

One step that we have taken to date has been to have expenditures reviewed on a monthly basis rather than on the past quarterly arrangement. In spite of this, as we look at the Accounts and Statements for the month of May just circulated by the Accountant General, page 12, we find that in spite of the surcharge, which during the months of May and June — and these are figures which have just been supplied to me — brought in \$1 632 000, we find that, on Current Account, we are still running a deficit of \$7 502 000.

We expect that revenues will increase in the months of October once corporate taxes have been paid. But

the rate of expenditure is still high, and if we are to wipe out the deficit on Current Account, greater efficiency will be required in terms of Government expenditures.

The surcharge, I would like to reiterate, is a temporary arrangement. It has a specific life of 11 months. It is not like most taxes that tend to stay on. In order for it to be continued, positive action will have to be taken over and over again.

I understand that surcharges are not new to public finances in Barbados, that in the early 1980s, there was a surcharge imposed on corporations. At that time I understand it was for a two-year period, but eventually came off. In our case, we have made it clear that it will come off at the end of 11 months.

Mr. President, with those few comments, I move that this Bill be read a second time.

SENATOR L. R. TULL: Mr. President, much of what Senator Clarke has said in introducing this particular Bill causes me a great deal of concern. We have sought to get a number of answers from Government from time to time about the true state of the economy and Government's finances, and almost by accident we got answers that we could not get over a period of time.

Before I go into the answers that were perhaps inadvertently given to us, I must say that I am a little concerned about what is, perhaps, the Government misunderstanding of the role of the private sector in the economy of Barbados. Senator Clarke did at some point try to equate the corporate personality with the personality of the individual when he was talking about the writing off of tax losses, and so on. It is a major misconception to see the corporate personality *vis-a-vis* that of the individual. I can only say that if that is the thinking that is prevailing in Government, we are in for some very serious trouble.

When I say, Mr. President, there is a misunderstanding of the role of the private sector in our economy, we have to look at the picture as is. Senator Clarke sounds more like a theoretician in an assembly room in a North American university, removed from the problems of a community that is in a way under economic siege. What he says is good theory, that a business is set up to make profits, not to make losses. So you do not plan for making losses, you plan for making profits. If Government's taxing policies are predicated on that kind of reasoning, God help us!

We have a series of very serious problems in companies in the private sector due to circumstances largely beyond the control of the people who run these

companies. The manufacturing industry is in deep trouble, not because the people who set the businesses up set them up not as businesses to make profit but as businesses to make losses, but because of a series of circumstances, as I say, beyond their control. I do not want to go over them, because we talk about them pretty often — finding export markets, perhaps the weakening domestic demand in some areas of domestic manufacturing. We talked only last week of what is happening in CARICOM and the proliferation of non-tariff barriers that are affecting our trade, and I had to point out that the mere mutual agreement to remove stamp duties between Barbados and Trinidad and Tobago was not going to work as any panacea to the problems confronting manufacturing.

2.50 p.m.

For the small hotels, for instance, the problems are myriad, and they derive from the fact that certain costs in Barbados are high, and, therefore, the hotel product must of necessity be high, and it does not bear comparison in a favourable way with many tourist destinations in this region and beyond.

These are some of the problems. I think it is a lack of understanding of the problems confronting the business sector to say that businesses are set up to make profit, not to make losses, the Government cannot plan on the basis of their making losses. That kind of statement will be a major disincentive to local people getting into business of any sort, if that is going to be the attitude of the Government.

Mr. President, another thing that troubles me about some of what Senator Clarke said, and I said that this perhaps provides answers that we were not getting, is that the level of services had to be maintained. The removal of 20-odd thousand people from the income tax roll between 1985 and 1986 — I am not quite sure what happened with April 1986, because the Budgetary Proposals of April, 1986 made provision for people who earned below \$10 000 a year to have been removed from the tax roll — this figure of 21 000 plus of 1987 is to the period of the July Budgetary Proposals.

What, in fact, we have heard is that Government at long last is admitting that the measures of 1986 have caused more problems than had been anticipated. I am not one to argue that there was no redeeming merit in anything they did in those budgetary proposals of 1986, but certainly in the ones where the major debate took place, the Government has now crawled right back and said, 'Look, we made some miscalculation.' One of the arguments that was put very strongly at the time was that if you cut back too savagely on Government revenue, all for the purpose of winning elections, one of three things will happen. One is that you will reduce the level of

social services in this country, because they have to be paid for, or you would severely increase the deficit on Current Account, or there will be an increase in unemployment. What has happened is all three!

The argument at the time was that there would probably be one, but all three have turned out as a result of the particular measure we are talking about. The level of the social services has fallen off, as admitted. No, he did not admit it, he said that they have to be maintained. Implicit in that is the fact that they have difficulty maintaining them, but I can say for a fact as my words, not the words of the Minister, that the social services in Barbados have suffered.

The Minister also mentioned that they are reviewing, in the Ministry of Finance and Planning, I presume, the R. I. E.'s, Requisitions to Incur Expenditure, which was usually done on a quarterly basis in the Ministry of Finance. This is for Government departments. Every Government department has to put in a request or requisition to the Ministry of Finance every three months to incur expenditure for the running of that particular Ministry or Department. We pass the annual estimates, but it should be pointed out that it does not allow the accounting officer in each Ministry to spend up to the limit of what occurs in the Estimates. The Accounting Officer, the Permanent Secretary usually, has still to apply to the Minister of Finance every three months to spend any money, and the Ministry of Finance can, and does on occasion, refuse to allow money to be spent, or can limit the amount of money they want to spend, even though it is within the limit set by the Estimates.

What Senator Clarke is telling us now is that the Government has taken a decision to shift this policy of requisitions to incur expenditure from a quarterly basis to a monthly basis. That is like a beacon, a lighthouse, saying that there are shoals and rocks ahead. To require every Permanent Secretary, to send in a requisition to the Ministry of Finance every four weeks to spend one single penny in his Ministry is telling us that something is rotten in the State of Denmark. Something is wrong, and although we have not got all the answers, I am sure that Senator Clarke, in laying bare his chest, or his breast, will in his reply give us some more information in this regard.

I have always had some difficulty, Mr. President, with the massive shift away from direct to indirect taxation. It is a philosophical position with me. With direct taxation, the principle is that those who have pay, and those who do not have, do not pay. Those who have a lot pay a lot and those who have very little pay very little. The shift from direct taxation to indirect taxation is a shift from payment by the rich to payment on the poor, because you have to get the money from somewhere, and Senator Clarke freely admits that. In fairness to him, both Administrations shifted the burden of taxation from

direct to indirect taxation. But I do have to say, however, that when you raise money for the services of this country through indirect taxation and you are talking about consumption tax and stamp duty and levies, and so on, you are in fact asking the people who are least able to pay to make the contributions to run the country that people who are better off were paying. I cannot change from that position. It may not always accord with a lot of thinking in this country, but that is the way I feel.

To have given relief, for instance, for the major companies in this country to get 20-odd million dollars relief, and at the same time, in the same Budget, ask pensioners and unemployed people to find the money to make up for that kind of generosity, is, in my mind, a supreme act of insensitivity on the part of the Government. The money has to be raised, so you raise it through surcharges, and so on, and I am not persuaded by the argument of Senator Clarke, that the Minister of Finance has said that the imposition of the surcharge is for a period of 11 months, so let us not try picking on that. He seems to forget that the Minister of Finance on each and every occasion that he has said that adds a proviso, and we have to deal with the proviso, and the proviso says quite clearly it is for 11 months, but if at the end of 11 months the finances of this country are not to my satisfaction, the surcharge remains. He said that in the Budget and he said it at least on three occasions in public statements since then. He said it last week, which was the last time I heard it.

3.00 p.m.

I want to caution one thing. Individuals, like companies, have to have some clear policy guidelines, to have some idea of where the Government is going so that they can plan. A Government that operates a stop-go policy is a Government that causes among the people the massive confusion that it has among itself, and that is what is happening at the moment. I am not trying to make any specious points, I am going to give you an example of what I am talking about.

We have heard in here and outside from several people, including myself, that in respect of businesses, for them to do any long range planning and any development they must know exactly what is the policy of the Government. The Government cannot constantly change its policy in relation to them and expect them to do any long range planning. So companies in Barbados have that problem, because while two years ago monetary concessions were made to them, and they were promised that there would be an easing of the burden of taxation on them so that they could get their act together and move forward and plan for expansion. Within a short period these same companies had the money taken back through surcharge — 11 months or not — I believe it is going to be 11 months, but we will wait and see — and through

the measure that last passed, the Income Tax amendment. So the Government is adopting the position of the classic Indian giver, you give with one hand and you take back with the other, and just as it does not allow business people to plan and develop, equally this kind of measure does not allow an individual to plan.

I know of a certain case, just one example I am giving, where a young single woman had made arrangements to get a mortgage to buy one of the houses being built by one of the private companies. The figure for the house was \$58 000, or something like that. This lady had worked out a budget based on her salary of exactly how much she would have to pay for mortgage repayments, how much for whatever, her insurance premium, and she knew down to the last dollar or so exactly how she was going to live month after month without getting into trouble. By the time she had got the mortgage approved, and so on, and was about to go and sign the contract with the local building company, whose name I will not mention, the surcharge was imposed. At the same time, consumption tax was increased, and she received a letter from the building company saying that the house that she was going to buy for \$58 000 would cost \$64 000 or \$65 000, a few thousand dollars more anyway, and the reason given for this was that with the increase of stamp duty, consumption tax, the cost of materials will go up and what not. She found herself at her wit's end to see now how she would accommodate a further \$5 000 or \$6 000 expenditure. I know about this personally because I had something to do with it. In respect of the surcharge, Sir, the lady probably had to pay, to my recollection, \$50-odd a month more. This does not sound like a lot of money to a lot of people, but to someone who had planned to the last dollar in this case, it represents a fairly substantial amount.

The gravamen of what I am saying, Sir, is that Government, has for a particular period of time, to have a consistent policy where businesses and individuals can plan, because they say this is what the Government is doing, these are its plans, this is what it is setting out as its basic philosophy. Certainly nothing in 1986 would have suggested that we would be debating today any of the measures that we are debating, because the philosophy of 1986, which was nothing more than stark opportunism, was that there would be a freeing up of resources so that people and businesses and the whole community could develop.

This surcharge, then, is working an especial hardship on a number of people in this community. I was amazed when I heard someone in the Other Place, a representative of the Government side and representative of labour, saying that he did not hear anybody in Barbados complaining about it. I guess the people in Barbados, Mr. President, have been so beaten into submission and silence by the blows of insensitivity on the part of the Government that they feel there is no

point making any more noise. But if that gentleman who spoke was more tuned in to the people, he would know that this surcharge is one of the most unpopular measures ever introduced in the post-independent Barbados, not only because it is working a financial hardship, but because the financial hardship is based on official deceit.

I want, finally, Mr. President, to mention two points arising out of what Senator Clarke has said. One relates to cutting out waste, one of the ways they wanted to deal with the problem of cutting back on the deficit. There was a frank admission in this Chamber by Senator Clarke today that they are not managing the deficit. It is implicit in what he said.

While I am on it I should say this. One hundred and ten million dollars in taxation were raised out of the Budgetary Proposals this year and it was stated then that that money was to meet principally the deficit. I would not need to be reminded by Senator Clarke that part of that \$110 million, \$40 million odd or something.....

Aside.

SENATOR L. R. TULL: I like to anticipate you fellows, because you think you know everything.

Some \$45 million or \$50 million or something was to go towards the development of industry and what not, so they will claim that the amount was only \$55 million. The problem, however, is that the increased imposts on the people of Barbados were based, according to the Minister of Finance, on the need to get in money to correct the problem of the deficit, and what we are hearing today is that even that massive increase in taxation, the highest in one year in the history of Barbados, is not doing the job, and that we can look for some fairly rough seas ahead.

3.10 p.m.

The other point is the one in relation to the debt service. I really cannot understand the — I almost said duplicity, Sir, but in my own feeling, that would be against the Rules of the House, whether it is written down in the book or not, because duplicity suggests bad faith, so I would not say duplicity — it is more like the confusion of the Government, I would not say duplicity, that it could come in 1988 and say that we have certain things that are fixed, and among them he mentions debt service. That is a hard one to swallow, because a Government again that told the people of this country that the level of the national debt was too high, and they would take definite action to make sure it did not escalate, and indeed would remove it; and went a step further and said they were not going to borrow any more money overseas — it was stated very clearly by the Prime Minister that they were not borrowing any more money overseas, this was said in 1986, and that they would

mobilise and tap the local market for loans – and they just came from overseas, yet this Government, by the end of this year, would have borrowed almost \$½ billion, the highest amount ever borrowed by any Government in the history of this period in a five year term. And they would have borrowed it in two years.

We have the unseemly spectacle of a Prime Minister. I am not talking about the Minister of Finance now, I have to draw the distinction, running around the world, cap-in-hand, trying to borrow a dollar here and a dollar there – these Barbadians are not very happy about it – and not getting it. Not many years ago, when I had the honour to be part of a Government, international financiers and Governments were literally running us down to borrow money, and we were telling them, 'we do not want it, we will borrow when we are ready.' Nowadays, we have a very unseemly spectacle of the Government running around, cap-in-hand, trying to borrow money and cannot even get what they want.

These things are troublesome. So when Senator Clarke gets up here and says we have fixed expenditures like debt service, therefore we have to have things like a surcharge, it is bitter gall to swallow, because much of the money is to pay for new borrowings – he says no – which they gave a solemn undertaking that they would not have incurred. That is why it is bitter gall to swallow.

I do not know, Sir, what is going to happen in this country. I really have no idea what is going to happen in this country. When a Minister of Government fails to recognise the inherent fragility of a new company, lacks an understanding of the fact that it needs a period in which it can get on its feet and begin to make money, and sees it only in terms of an individual – you are in the business to make money, not to make losses – we really have something to think about.

For the last 30 years, we have been giving incentives, tax free incentives, to pioneer industries, as they used to be called at the beginning, which are infant industries, to give them a period to get on their feet. That whole thinking has gone now, because according to Senator Clarke, you are in business to make money.....

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, on a point of order: Just for the Record, the Government has not rescinded the Fiscal Incentives Act. Fiscal Incentives are still in place. These are the successors, as Senator Tull knows only too well, of the pioneer industries.

SENATOR L. R. TULL: Mr. President, the Senator is perfectly correct. I was not making the point that the Fiscal Incentives Act, and so on, were no longer in place. What I was seeking to do, rather, is to say that in a country whose thinking has been dominated for better than three decades by the need to nurture young and new

companies and wean them through the difficult periods when they are not making money, the statement made by Senator Clarke today that businesses are set up to make money and not to lose money, and therefore the Government plans its tax policy on the basis of its making money, not on the basis they are losing, is in direct conflict with the continuation of the very Acts that he is talking about. We are talking about two different things altogether.

It is a question of empathy. The trouble with the present Government is that it is a collection of individuals who are not foolish – I am not going to say that – but who seem to lack that empathy with this community, an appreciation of what makes it tick. And that is where they run into most of their problems.

I heard here in this House a few minutes ago that it is the small businesses that are being hard done by the income tax measure relating to the cutback of claims on losses over a seven-year period to a five-year period, and their inability to use 50 per cent in any one year instead of 100 per cent. I have heard that it is not the big, established businesses in Barbados that have anything to benefit from them. They have always been making money and paying their taxes. But the small businesses in Barbados, family-owned businesses where the man and the wife, children, and so on, work 24 hours a day to eke out a living and to make a contribution to their country – they are the ones that are being penalised by that particular measure. So although I am not going to be hypocritical and say that the Government has not got to raise the revenue – I have never said it in here, nor will it be ever said out of my mouth, I do not play it like others – although it is necessary for the Government to get revenue, it has to earn its revenue on the basis of a proper understanding of what are the various currents that work and an empathy, as I said, with the people.

We see, Mr. President, that while the Minister talks of the maintenance of services in Barbados, the welfare services in Barbados, for instance, are short of cash. Welfare mothers are being denied money at the Welfare Office to get milk for their children, because the welfare officers are telling them that they have no funds. They are being denied a pair of pumps to wear to school because they have no funds. They are being denied two boards and a sheet of galvanize to keep the elements out from their children because they are told by the welfare officers that there are no funds to give you. This is the kind of maintenance of services the Minister is talking about. But those same people who cannot get milk for their children, or a sheet of galvanize to keep out the rain, or a pair of shoes to send their children to school, are the ones who are bearing the burden of the shift in tax from the ones who can pay, because when you take the 23 000 people off the tax roll, and when you reduce the corporation tax from 45 per cent to 35 per cent and make the biggest companies in Barbados pay record dividends, you are turning into an inverted Robin Hood, you are robbing the poor to pay the rich.

That is my contribution, Sir.

SENATOR A. J. N. PHILLIPS: Mr. President, we in this Chamber have become accustomed to the Senator who just sat, and we know his many moods. This evening, Sir, we have heard him in one of his emotive moods, whereby, obviously, he is trying to draw on the sympathy of the Government, or if he gets a report in the press, he will draw on the sympathy of the populace. However, Sir, I think it is the duty of us on this side to make a few comments on some of the areas the Senator made mention of.

3.20 p.m.

I have little difficulty in supporting this Resolution, Sir, because I recognise, as I suppose everybody on this side, that the surcharge is a temporary measure, an 11-month situation, which does not permit a person from planning. Indeed Sir, the surcharge applies to, I think the Minister said, an amount of 21 900 persons of the total population of Barbados.

We in Barbados pride ourselves as the beacon of the Caribbean. We speak in very loud and glowing terms of the services which we have here. We can speak very highly of our road network, and the quality of our roads. When our telephone rings, we can answer it. We have a good telephone overseas service. Electricity is not a problem. We have a good housing stock. We have good health services. Indeed, Sir, we are very proud of every social area in this country, and when we go overseas, we speak very highly of these areas.

Sir, if the 21 900 persons are called upon to pay 7.5 per cent surcharge for a period of 11 months, I cannot see any serious complaint when we realise what country we have. Indeed, Sir, recently we had a debate going on in this country on race, and it is my view that in the beginning, the matter was viewed in the wrong light. But, quite frankly, Sir, I feel that there is no more emotionalism around that matter anymore, and that it is healthy for our democracy to be able to discuss issues. Without carrying any rancour about it, I do not see any problem in discussing it.

Sir, I would like to revert a bit to the 1986 Budget. In 1986, we had another Minister of Finance, and he introduced some measures, which I could not say at this time were a failure. But at that time, and I still feel so, a number of the measures were over generous. The Labour Party, as a matter of fact, spoke out very strongly against the \$15 000 allowance. They thought that the country could not carry it. They spoke out against the reduction on the corporate tax. The new Minister of Finance has found it necessary to introduce a measure which cushions a gap which he has seen. From the time the new Minister of Finance took over the Ministry, he indicated that he would have had to put in some corrective measures, because he saw where a deficit situation was beginning to arise.

Sir, I feel that none of us should have any difficulty in supporting this surcharge, particularly in the light of our knowledge that the surcharge is a temporary measure and that such surcharge will be discontinued after the given period. But I would say that there is no guarantee, obviously, that the surcharge will be removed in full, because the Minister has to keep his eye on the deficit of the country, and it may be necessary for him to reduce that 7.5 per cent to, let us say, 3 per cent. But certainly, Sir, in this country where we are able to speak so proudly about what we have, we should have little difficulty in supporting the Government in a measure which is a temporary measure and which seeks to address a situation which is important to the good running of the country.

Sir, I would like to make some reference to a matter that has been discussed here today in relation to small business, business generally, and it relates to the 50 per cent allowance. It is to my knowledge, and, I know, that of other Senators in here, that accounting principles are used to suit the situation in which they apply. A write-off or a write-down on equipment can be used for the purpose of tax. To my knowledge, equipment is written down at the rate of 20 per cent per annum, which is allowed to write off equipment in five years. However, that same accounting principle could be used to suit the disposal of an asset or the disposal of a company, but used conversely; that is, that a revaluation of the equipment is taken and it is quite possible that a revaluation after five years could account for a price higher than the cost in the first situation. It depends on how you are going to use an accounting principle.

So I feel, Sir, that it is important that the Government take notice, and I am sure that the technocrats in the Ministry took note of this sort of situation as it applies to the application of an accounting principle. Therefore, I think that when we are looking at these matters, we should not get emotional and just look at them glossily, and not look at other situations which could arise, and which we should look at in a rather more detailed manner.

I, Sir, have little difficulty in supporting this Bill before this Honourable Chamber.

Thank you, Sir.

SENATOR J. S. GODDARD: Mr. President, I believe that the Minister of Finance, when he saw the Estimates of 1988-89 projecting a Current Account deficit of \$48 million — I believe he did say so — set out to raise sufficient revenue and to eliminate that Current Account deficit and provide a small amount towards capital payment, and there is nothing wrong with that. He set

about to raise \$110 million in new revenue, and then there were revenue losses by the giving back of stamp duty on CARICOM goods and raw materials and packaging imported from extra-regional sources of \$55 million. So there was a net amount of \$55 million which would have covered what had been anticipated as a Current Account deficit of \$48 million, which left roughly \$7 million. That is very basic.

The Minister of Finance needed to raise revenue, and, as he said, and as has been re-emphasized here today by Senator Clarke, that this would be of a temporary nature, and he hoped to raise some \$15 million surcharging personal incomes and \$10 million surcharging corporate profits, making a total of \$25 million.

While I will support the Resolution, because I know that additional funds are needed, it is my view that the loss of stamp duty of \$55 million has been overstated. I am not saying that it was done deliberately. I do not mean or imply that at all. But I believe that when we look at the annual accounts next year, we will see that the revenue loss will be nowhere close to \$55 million. I hope that I prove to be wrong, but that is how I see it now. Therefore, I have some questions as to whether the surcharges were necessary at all.

First of all, if you look at it at the personal income level, I have made enquiries of some insurance companies as to whether they have noticed any decline in the number of mortgage applications for domestic housing, or whether they have noticed any slippage in payments, any increase in arrears, and in every case so far the answer has been "no", which would lead me to believe that up until now the surcharge has not affected the construction of homes or the payment of mortgages on new homes being built. But we must not be misled by that, because it could mean that people are drawing on their savings. That is why I am pleased that the Minister of Finance was at pains to point out that this would only be a temporary measure, because, in my view, if it were extended, it would have a serious negative impact on the construction industry.

3.30 p.m.

On the corporate side, it is the effect it has on the business thinking and the business climate, to which Senator Tull has already referred, this lack of consistency. If I may be permitted, Sir, the Budget of 1986 implemented what was in the manifesto, and as I have already said today, it granted considerable concessions and tax relief. It turned out to have been too generous, and adjustments were made in the Budgetary Proposals for 1987. What we witnessed earlier this year, in the Budgetary Proposals of April 28, 1988, is no longer another adjustment, it is a reversal, as I see it, Sir, to the extent that even within the Government in the Other Place there was strong dissention expressed that it was not in consonance with what had been promised.

From a private sector perspective, when you have this dramatic change in a two-year period, coupled with criticism coming from Government and other sources of the private sector that it has not taken up the challenge, it has not created employment, it has not contributed more tax income, no private sector in the world, Mr. President, can within a two-year period, with this changing Government policy, do what was expected of it, I would add to that the intense debate that has taken place in the last two or three months on a matter which is now before the courts, so, obviously, I will not comment on it, but do not let us fool ourselves of the effect that that debate has had on the investment climate in this country, both local and overseas.

It should be no surprise to us, Sir, that rather than our economy expanding, as we would all like to see it expand, it is more in a state of stagnation. Yet the demand for improved and expanded social services, as we have heard here today, continues, and that is understandable, but these cannot be funded unless we have an expanding economy, and I do not think anyone right now can say that we have that expanding economy.

Mr. President, I would like to take this occasion, as this is the last day before the summer recess, and I do not expect we will be meeting here again before November, to make a special appeal to both of our great political parties. I say that because the DLP will be holding their annual meeting later this month and the BLP will be holding their meeting in October. I hope that the discussions will be in an atmosphere of calm that they will be balanced, that they will be moderate.

Sometimes politicians and academics and others get a little carried away, and politicians of all persuasions. We can argue about whether the statue should be called Bussa, the freedom statue or the emancipation statue, but I believe the average person is more concerned with his civil rights than the name of that statue, and I am not suggesting that the name is not important. It is a question of priority. Similarly, the name of the new highway, whether it be the Airport to West Coast Highway or Tom Adams Highway, may be important, but to the average person the safety on that highway is far more important. Sir, as I have more time now to listen to call-in programmes in the evening, I am expressing the views I am hearing from people.

I am sure the meetings of these two great parties will be dealing with educational matters, especially educating the young people for the job market; they will be concerned with jobs; the level of unemployment, which none of us is proud of; with the effect of illegal drugs, which is a worry to all; with the increasing incidence of house breaking, which is of concern to all. I am sure those who are more financially minded will be looking at what is

happening in our sister territory, Trinidad and Tobago, Sir, an award now for the civil servants of nearly a billion TT dollars, which the Government says it cannot pay. They will be more concerned with the comments you are hearing about Barbados being a high cost producing country. Can we get our costs in line? What will be the future value of our currency? I am sure both parties will be looking at our national debt which, Mr. President, was one billion one hundred and sixteen thousand dollars in March 1986, and two years later was one billion four hundred and sixty two million dollars, and most of that increase is in foreign debt.

While these matters will be debated by these two parties, I am appealing, Sir, that somehow the leadership of both of them find it within their competence to call for a greater level of goodwill, of co-operation, of understanding and of courtesy, of mutual respect and of harmony for this community. We are at a serious juncture in our history, Sir, and I do not make these statements lightly. I hope that they will pray and work together for more of these qualities in our country. If I may use some four letter words and not contravene the Standing Orders.....

Mr. PRESIDENT: I will not stop you, although it does not have anything to do with the debate that is going on. It may be a pleasant peroration, and I will not stop you, but it has nothing to do with what we are discussing.

SENATOR J. S. GODDARD: I hope we will replace envy and hate with love, Mr. President.

I think it is important for these two political parties to realise that our system of Government provides for opposition, and it is good and it is healthy. But so often we see opposition deteriorate into the appearance of enmity, and that does not lead to stability. We have all noticed in recent years the tendency towards political polarisation. More recently we have seen a tendency towards class and race polarisation, and we must face up to these issues. That does not lead to harmony.

Thank you for permitting me to say this, Mr. President. I should like to close by appealing to both parties, let us hear clearly from both of them the voices of leadership.

Thank you very much, Sir.

SENATOR B. A. MILLER: Mr. President, I listened with a great interest to the speeches of members of the Senate on this Bill which is intended to amend the Income Tax Act in order to give effect to certain of the Minister of Finance's Budgetary Proposals, most particularly that to do with the imposition of the surcharge on people's incomes.
3.40 p.m.

I heard what has been said, and I listened carefully. I hearken to Senator Goddard's appeal to both parties, to

both Government and Opposition, to be reasonable and careful and considerate in their judgement and their utterances in all matters, including these matters. But there are some things which simply have got to be said, and the first thing I want to say about this particular matter that is before us now is that this, like the matter dealt with before, and I am not meaning to reflect on that, is again a betrayal of certain promises which were made on the platform and in the manifesto of the Democratic Labour Party during 1986. This is again playing fast and loose and hot and cold with the people of Barbados. This is sleight of hand.

I heard the Minister of Finance and Prime Minister blaming all the present woes of this country on the Barbados Labour Party and its Administration, but the Barbados Labour Party is not the person who said that Barbados is an LDC. Mr. Sandiford, the Prime Minister, is the person who, not here, but in Dominica, as a guest of their Government, felt it necessary to point out to a LDC country that Barbados is a LDC country. This is not the saying or the thinking of the Barbados Labour Party. It was not the Barbados Labour Party that said that the economy of this country was on the rocks. It is the Democratic Labour Party, the Prime Minister and Minister of Finance, who said that this country's economy is on the rocks. It is not the Barbados Labour Party that is saying that the drug culture is no big thing and it is being overstated in this country; it is the Prime Minister and Minister of Finance who has said that, aided and abetted by his Attorney-General. It is not the Barbados Labour Party that has said that crime is not on the increase in the way that we think, that we are hearing, and that that, too, is being overstated. It is the Democratic Labour Party that is making this point, and in my view, Mr. President, doing it deliberately, because it is clear to me that the present Administration will do everything in its power to maintain all of these forces which help to prop up that said Administration, and that is why we are not seeing the Government making a major statement, or taking a strong stand, or any firm hand, in the matter of the burgeoning drug culture, anymore than we are seeing any strong action being taken in respect of crime. The Commissioner of Police has no standing in this country today, I never thought I would live to see that in Barbados.

I am coming to the surcharge.

Mr. PRESIDENT: Let us get on now.....

SENATOR B. A. MILLER: I am coming to the surcharge.

It is this Government that has soured the industrial climate in Barbados. All of what we are talking about has happened in the last two years. The people of Barbados, as I understand it, did not vote for any surcharge in 1986. They were told they were going to be given a golden handshake in the form of great tax relief, great tax concessions, that Camelot was being issued in.

Mr. PRESIDENT: Let us deal with the Bill before you. Do not deal with what the people are saying.

SENATOR B. A. MILLER: I have to deal with that. We speak in here on the people's behalf, Sir. We are reflecting the people's feeling.

Mr. PRESIDENT: This is a matter before the Senate, not before the people.

SENATOR B. A. MILLER: The matter before the Senate is a surcharge.

Mr. PRESIDENT: Right. Deal with that.

SENATOR B. A. MILLER: The matter before the Senate is a surcharge on the people's incomes.

Mr. PRESIDENT: I want you to deal with the second reading of this Bill, please. Do not ask me to have to draw it to your attention again. Deal with that.

SENATOR B. A. MILLER: Mr. President, the surcharge is not only a surcharge on the incomes of people around this Table.

Mr. PRESIDENT: Deal with the matter; don't direct the President. The President does not need any direction from you.

SENATOR B. A. MILLER: I am not seeking to direct you.

Mr. PRESIDENT: I am telling you I do not need any direction.

SENATOR B. A. MILLER: I am not trying to direct you, Sir. I am trying to make my contribution.

Mr. PRESIDENT: I am asking you, and if you go on shouting at me, I will bring you to order by the Rules. Deal with the measure that is before me. And if the gallery becomes disruptive, I will ask the Clerk to clear it.

SENATOR B. A. MILLER: The gallery?

Mr. PRESIDENT: I am the President, not you.

SENATOR B. A. MILLER: There is no gallery in here, Sir.

Mr. PRESIDENT: You cannot tell me what there is in here.

SENATOR B. A. MILLER: I cannot see one.

Mr. PRESIDENT: Senator Miller, if you continue to be rude to me, I will have to deal with you according to the Rules.

SENATOR B. A. MILLER: I am not trying to be rude to you.

Mr. PRESIDENT: You are.

SENATOR B. A. MILLER: No. I am not trying to be rude to you, Sir. I grew up and saw you in my father's house as a little girl; I could not dream of trying to be rude to you, Sir.

Mr. PRESIDENT: You are no little girl now.

SENATOR B. A. MILLER: But you want to send me out of in here, and I am willing to go out. I am willing to go out in the cause of the people.

Mr. PRESIDENT: If you would behave yourself, I would not have that.....

SENATOR B. A. MILLER: There is no disgrace in being chased out of in here, and I am willing to go out.

Mr. PRESIDENT: If you want to go out, you may go.

SENATOR B. A. MILLER: If you would not let me speak in here, I will speak out there.

Mr. PRESIDENT: You may go. I do not prevent you. I am not afraid of your speaking out there or anywhere. But if you are speaking in here, you have to speak in here in accordance with the Rules.

SENATOR B. A. MILLER: I am speaking on the matter before us, but you would not let me. You are making more of a speech now than me, Sir.

The matter before us has to do with the surcharge on incomes, and I am trying to say, Sir, that it is not a surcharge only on the incomes of people inside this room at this moment. It is a surcharge on the incomes of all the people in Barbados who have an income.

Mr. PRESIDENT: If you are talking on the matter that is before us, the surcharge, Senator Miller, you can talk as long as you like. Deal with the second reading of the matter that is before us.

SENATOR B. A. MILLER: Yes, Sir. I repeat myself.

Mr. PRESIDENT: If you do not deal with that, I will draw the Rules to your attention.

SENATOR B. A. MILLER: I repeat myself for the fourth time. The matter before us is dealing with a surcharge on incomes not only of the few people in this room at this moment, but on the incomes of all Barbadians who earn an income that will attract the surcharge, and I am insisting on saying that the people of Barbados who now have to pay this surcharge did not in 1986 vote for any surcharge, and they do not deserve a surcharge, and I agree with Senator Goddard that it is not necessary. It is absolutely unnecessary to impose a surcharge on people of any 7.5 per cent, or any surcharge at all.

This situation was exclusively created by the Democratic Labour Party. They were given all, and I am not hearing from the Government side that the Government was too generous in July 1986. I am hearing from Senator Goddard that there was an adjustment in April 1987. I do not agree with Senator Goddard on that.

In 1987, the Minister of Finance saw clearly that he had to move from his position. What happened in 1986 July was that roughly \$48 million — I cannot remember to the penny — was given back. Less than a year later, in April 1987, he was extracting in excess of \$60 million, and now in April of this year, the Minister of Finance is seeking to extract another \$110 million from us, and has warned us, cautioned us, that in respect of the salary negotiations, currently underway now, for public workers and other workers come to a conclusion, whether they are legislated or otherwise, he has not made any accommodation for that in the \$110 million, and that he will have to come back to Parliament for more money.

This is of their making, and it is not fair now for people to talk a lot of nonsense, in my view, and I am only using that word to be polite. It is absolute nonsense. It makes no sense to put up a man of straw and then to lick him down, except that in this case it was not a man of straw that was put up.

It was a cross that was put on people's backs in July of 1986, all those who were misguided to think that millennium had arrived, running behind \$15 000. You would be amazed, Mr. President, that some people actually thought that after May of 1986, somebody was going to actually put \$15 000 in their hand. They went running behind 15 000 birds in the bush and let go the one they had in their hands, and now they are repenting at leisure with increased levies, more levies, surcharges and greater taxes.

I heard Senator Clarke make a remark in here today, and some people are rejoicing in respect of a part of what he said, but I am concerned with the other part.

That has not yet been commented on. Senator Clarke said that the surcharge is meant only to be a temporary measure and that after 11 months, and this is where he went on and everybody is lauding him for saying that.....

Asides.

SENATOR B. A. MILLER: Yes, yes, they said that. They said a lot of other things, too.

Senator Clarke went on to say that when the 11 months are up, the surcharge will be replaced with something else. I want to know what the something else is going to be, because after 11 months the Government will still need to raise revenue.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, on a point of order; I do not remember saying that the surcharge will be replaced by something else.

SENATOR B. A. MILLER: I recall it, Mr. President. He said something else or whatever, but he had made the point, anyhow, that the Government will continue to need to raise revenue.
3.50 p.m.

So they are not fooling anybody. They did not fool the corporate sector when they reduced corporation tax, and then slammed the surcharge on them, too. And they are not fooling the people of Barbados that if you remove the surcharge, it will not be replaced by another name. The people of Barbados understand what is going on, that you are given by one hand X amount and then you are taking back with another hand not only X, but Y as well. More is being taken from them than had been given to them in the first place, and that is why it is true that social services in this country are on the decline.

Everybody is lauding the fact that there is now virtually a proliferation of private medical institutions, hospitals, clinics and the like. But I wish somebody would look beneath and see the rationale for that. Why is it that there is such an increase in private sector provision of medical facilities? Because there has been a decline, and there continues to be a decline, in public sector provision of such facilities.

The Estimates have shown that the Government has cut back on the social services. Education has been cut back, Health has been cut back, Housing has been cut back. This is the price that we pay. And I insist, and I will repeat it, that this was the policy of the former Minister of Finance. It was a Thatcherite policy, and the price was prepared to be paid in terms of unemployment, rising inflation and the cutting of the social services of the country.

The outshot of that would have been the same thing that we see in the United Kingdom today. A wonderful profile on paper, but nobody makes the point that a new subsector of the poorest of the poor has been born again in the United Kingdom! That is what would have happened here in Barbados. And that is what is on the way to happening here in Barbados. Nobody is making that point.

And yet, the Democratic Labour Party claims to be the party of the masses and the poor people. It is they who are encouraging this divisiveness with us and them. Us are all the white people, all the merchant classes and all the black middle class people who feel they have something to protect. They are the working class people. The Democratic Labour Party is pretending that that is where their sympathy lies, that that is where their support lies. They are not fooling anybody.

I have seen a change in the quality of life in this country that is frightening. I see young people out there, Mr. President, who do not want to earn an income in the time honoured way, that you go out there and you sweat for your money. You learn a trade, you learn a skill, or you may have a talent and you go out there and you work for your money. I have seen people out there unemployed not because they cannot find employment, but because they do not want employment.

I see what is euphemistically described as an informal economic sector out there. The people who are into ball, the people who are into deals, discounts. This is a new quality of life I see in Barbados, something that we used to hear about from other countries. I see a general acceptance of this in Barbados.

This is all part of what has been created by the Democratic Labour Party. It is part of the great betrayal, because people were led to believe that if they voted, they would get one thing, they are now getting another thing. I do not care how it is dressed up, I do not care what it is called, it is that that is partly responsible, and I say partly because there are other influences at work, too. I will not deny that there are other influences at work which have to do with political will as well.

Do we have the political will to stand up to the tide, the influx that we see coming from North America? Do we have the influence to make a decision about what should be shown on the television in this country? Do we really have the courage, the political and moral courage, to decide what should be taught in the schools of this country.

Today, I sense a certain malaise. I am hearing people say things in Barbados I never heard before in my life, that they would like to go away somewhere else.

They do not feel this is a country where their children can grow up. They are educating their children abroad. Should they come back to work here? To work where? Blue collar crime! White collar crime now! A disinterest in the positive and progressive things which should carry this country forward! The Government is not fooling anybody by trying to pretend that all of this flowed from the Barbados Labour Party.

But the question I want to ask is, what will replace the surcharge if — which I do not believe — and when it is removed? I heard the Senator who introduced this and other Senators, speak in glowing terms about the social structure of Barbados. I heard Senator Amory Phillips — what a wonderful road system we have and what a good health service we have! That is now he is in Government. When he was in Opposition, it was the worst possible in the world. But suddenly, it is the best in the world!

This Government, in two years, has not added anything to it. What they have done is to subtract from it. And what I further want to say is that the taxpayers of this country paid for it and they saw what they got for their money. Now they are paying more levies, they are paying surcharges and taxes, and the taxpayers are entitled to ask, what are we getting for these additional monies that you take from us? Show me what I am going to get, or what I am getting, for the 7.5 per cent surcharge. That is what the taxpayers need to ask.

And so, I would not advise Senator Goddard to take any comfort from the fact that Senator Clarke says that this is a temporary measure. A lot of other measures were temporary, and this Government has downright lied to the people of this country on many measures. They were going to abolish levies, according to them, and a whole host of other things they were going to do, too, including tearing down the Central Bank building. They might as well tear it down, because the fellow in there is not doing anything. All of that!

Mr. PRESIDENT: What is that to do with the Bill?

SENATOR B. A. MILLER: What is that to do with what?

Mr. PRESIDENT: The Bill that is before us now.

SENATOR B. A. MILLER: Do you mean the surcharge?

Mr. PRESIDENT: The matter that.....

SENATOR B. A. MILLER: The fellow in there.....

Mr. PRESIDENT: Tearing down that building, what is that to do with the Bill?

SENATOR B. A. MILLER: No. It is not me who talked about tearing down. I said that the Democratic Labour Party said they were going to tear it down.

Mr. PRESIDENT: I heard you say, "let us tear it down." Let us stick to the Bill before us.

SENATOR B. A. MILLER: The fellow in there, you cannot hear one comment from him on the status of this economy!

Aside.

SENATOR B. A. MILLER: Come home? You are making bare sport. I have now begun skipper!

Mr. PRESIDENT: Order.

SENATOR B. A. MILLER: I notice that you are wonderfully silent today. Did they ban you from speaking, too? I heard they told Prescod he cannot speak.

Mr. PRESIDENT: Senator Miller, you cannot address.....

SENATOR B. A. MILLER: Yes, I am addressing you all the time, Sir. I am addressing you.

Mr. PRESIDENT: You cannot address.....

SENATOR B. A. MILLER: I am addressing you, Sir.

Mr. PRESIDENT: I will have to ask you to take your seat if you are addressing a person there.

SENATOR B. A. MILLER: I am addressing you, Sir.

I heard it said in this debate, with great pride by Senator Clarke, that in 1985 over 55 000 people in Barbados were on the tax rolls, and that after — he did not put it this way but I would say it for him — what he really meant to say was that after July 1986, 21.9 thousand, nearly 22 000, people in Barbados were on the tax rolls. That is a difference in excess of 30 000.

But life in Barbados did not start in 1985 or 1986. And if Senator Clarke really wanted to do a comparative analysis, he should go back, let us say, to when we had Independence and look at the number of people on the tax rolls then. Look at the people on the tax rolls in 1976, when there was a change of Government, when a maid working for \$32 a week had to pay income tax. Look through 1976 — 1986. People forget there was a Budget in 1986. There was one in July 1986, but there was a Budget in April 1986 as well. I think Senator Tull

made the point. Look and see between 1976 and 1986 how many thousands of people, and people at the lowest end of the scale, were taken off the tax rolls.
4.00 p.m.

But, again, the sleight of hand; again the blowing hot and cold, again the betrayal. You are speaking to me with forked tongues — not you, Senator Clarke. You speak to me plainly. Whether I like it or not, you speak to me plainly. Senator Clarke speaks to us with a forked tongue when he says that after July 1986, nearly 22 000 people are to be found on the tax rolls today as compared to in excess of 55 000 in March 1985.

But it is not now July 1986. It is August 1988, and there are ways and means of extracting tax other than through direct measures, and that has been discussed in here today. Senator Tull went so far as to concede that both political parties in this country have used the tool of indirect taxation. But now that tool of indirect taxation is being used virtually to cripple the economy of the country. I agree with Senator Goddard that if this surcharge remains, we are going to see a terrible reversal in the economic affairs of this country. People are already anticipating it.

I think that we know the Minister of Finance has had his calculations done and we are told how much money the surcharge is expected to raise. But I want to know, and I am going to continue to ask this question for the balance of the 11 months, if the surcharge comes to an end — and I am saying I do not believe that it is going to be removed, I just do not believe it, if it comes to an end, what is going to replace it?

I heard talk in here today about the Current Account deficit. I quoted deliberately the last time I was in here from the Economic Review of the Central Bank, and the prognosis is not so good at all, especially from the economic review of the first quarter, which is traditionally the best quarter. It is not a good prognosis at all.

Reference has been made today already to the national debt, I believe that the scale of foreign borrowing is excessive. We are tired of making that point over here, and we are never going to stop criticising it, especially coming from a Government which, when in Opposition, went on and on for ten years about the national debt. Now they are increasing it at a rate unprecedented.

I share Senator Goddard's view that more money than is required to service the running of this country for this financial year is being raised for this financial year. I believe so. It makes me suspicious, Mr. President, because I would want to know why a Government would want to penalise the people who put it in office in this way, a way that hurts the most. It hurts the people who can least afford it the most. Why would a Government want

to do that, unless it had an object in view? There is a lot of quiet public discussion going on in Barbados today about what is the Government's ulterior motive, or secret object, or, to use Senator Lewis' phrase, secret agenda, that the Government has that the people do not know about. Why is it that the Government finds it necessary to be raising monies way in excess of what is needed to run the country for this financial year, while warning us that they still will come back for more money to pay Civil Service salaries?

We hear about what is going on in Trinidad. Trinidad's economy is now in its death throes. We are only hearing death rattles. Trinidad is as bad off, or, perhaps, worse, than what happened in Jamaica a few years ago. The people are just turning the lock on the doors of businesses one morning and failing to go back the next, and that is the end of it. Government departments are closed down at 11 o'clock in the morning and you cannot bribe anybody to open up again. It is not as though they leave the door open and somebody has gone to lunch or to the toilet, where a lot of civil servants tend to be when you cannot find them. They just leave the place and go somewhere else. Business is virtually coming to a standstill in Trinidad, and it is going to collapse. Now they are telling you they have a Civil Service wage bill of a billion dollars and they cannot pay it, they do not have the money to pay it.

A lot of people in Barbados today feel, Sir, that Barbados is heading in that direction, and they do not like some of the things they are seeing. They do not like some of the policies that the Government is employing. Other people feel that the Government is not employing any policy at all, that it is an ad hoc Administration, and that they are just juggling from issue to issue. There is no proper monitoring of markets out there. They are either not getting good financial advice or, if they are getting it, not taking it.

We are being asked to give our support to this measure. Senator Goddard contradicted himself, if I may say so, because he said he was going to support this because he knows we need to raise the money, but later on he also pointed out that the surcharge was unnecessary and that his own calculations persuaded him that it was not needed. I do not think it is necessary to raise this money. But since the Government feels that it is necessary to raise it, perhaps they will tell us what they plan to do with it, because in the end, in this particular Chamber that is all that we can ask. We asked it when we debated the Appropriation Bill. Perhaps the Government would like to tell us, somebody on that side would like to tell us, since the Government is determined to raise this money, exactly what they are planning to do with it. That is the question that I would like somebody on that side to answer before the day is over.

I thank you, Sir.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I would like to refer to some of the comments made by some of the previous speakers.

Senator Tull in replying made two statements. One was that, in spite of the deficit, nothing has happened to employment. The deficit on Current Account 1988-89 was \$13.3 million, and Current Revenue \$173.9 million and this is the data as of June 30, 1988. The Current Expenditure was \$187.2 million and the Current Deficit \$13.3 million. For 1987-88 as of June 30, for the same period, Current Revenue, \$151 million; Current Expenditure, \$189.7 million; Current Deficit, \$38.7 million. I believe that \$13.3 million as a deficit, although undesirable, is less than \$38.7 million.

I think he said that nothing has happened to employment. I quoted these figures last week and the week before. I will do it again.
4.10 p.m.

I am quoting the first quarter, and I am using the Central Bank data, Economic and Financial Statistics, page 87, and I am reading employment figures for the first quarter. We do not have the first quarter for 1981, we have the first quarter for 1984, 95.4 thousand people; 1985, first quarter, 95.5 thousand people; 1986, first quarter, 98.5 thousand; 1987, first quarter figures again, 99.5 thousand people; 1988, first quarter, 100 000 people. Employment opportunities have increased. We have at the end of that period 100 000 people employed.

Senator Tull, like myself, believes in progressive taxation. It is not a flat rate tax, it begins at \$15 000, then from \$15 000 to \$35 000 is at the rate of 5 per cent, and above \$50 000 it is at the rate of 7.5 per cent. So there is some progressiveness, if you will, built into the tax structure.

The changing of policy. This has been stated over and over again. I am not a sailor, but I do know a little about sailing. If you set a course to go due west and there is a drag, it is not that you have changed your destination but from time to time it is necessary to make corrections. It does not mean, because you suddenly find yourself sailing perhaps in a north-westerly direction, that you have abandoned your destination, and I think this is a game that we have been playing around and around. We are making forecasts over time, we are observing what is taking place within the economy, and from time to time we have to make these adjustments.

Senator Tull picked it up when we touched on the fixed obligations. I mentioned debt service only to say it is a fixed obligation. We have no discretion over it and we must take it as a given. We must honour our obligations, and we must make provision to be in a position to be able to service our loans, both local and foreign.

My interpretation of what Senator Tull said was that we are taxing business, and it seemed as though, when he said this, we were not giving businesses anything in return. Tax concessions were given to businesses, duty free importation of raw materials and packaging materials were given to businesses, and furthermore I believe a local paint manufacturer went on record in advertising that paints were reduced because of the tax measures given in the last Budget. So at least some input into the cost of housing would have gone down with that gesture.

I think Senator Goddard stated that he did not think we would lose what we anticipate that we would lose from stamp duty. But we are facing a Common External Tariff, an agreement within CARICOM, which may have some impact, plus, of course, we have agreed to remove barriers from CARICOM trade on a reciprocal basis. We do not want to debate again whether this is wise or not. I think this had fair run quite a while ago.

I think that in the spirit of drama which has been interjected into the Chamber today, Senator Goddard himself got into the act when he talked about a dramatic change in taxation. Just for the record, we had a corporate income tax structure before 1986 at 45 per cent, which was reduced to 35 per cent, but there was a surcharge imposed on profits to 42.5 per cent with an opportunity to reduce it back to 40 per cent by employing people. The rate is 2.5 per cent for every 25 people you employ, so there was an opportunity to reduce this back to 40 per cent if employment was generated within the country.

The Indian giver, or to blow hot and cold, or speak with forked tongue. A contract was made with the people of Barbados earning \$15 000 of income a year or less not to be taxed. These same people are exempt from the surcharge. That has been kept.

Aside.

SENATOR THE HON. Dr. C. D. CLARKE: The debate in the Chamber, Mr. President, is on the surcharge, and we have kept faith on that score. Contrary to what Senator Tull would have us believe, there is a measure of progressiveness within the tax structure, with a 5 per cent, then 7.5 per cent.

On those few comments, Sir, I would like to move 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.

On separate motions of Senator the Hon. Dr. C. D. CLARKE, it being a money Bill, the Bill was read a third time and passed and cited as the Surcharge on Incomes Act, 1988.

ADJOURNMENT

SENATOR THE HON. L. V. H. LEWIS: Mr. President, we have now disposed of Public Business, and the business in the Other Place which has come to our attention has all been taken care of, and that Other Place has gone into recess.

It is therefore proposed that the Senate go into recess. It is uncertain what date in October we would wish to meet, and I therefore move that this Senate do now adjourn *sine die*.

The question that the Senate do now adjourn sine die as put to the Senate and agreed to, and Mr. PRESIDENT adjourned the Senate accordingly.
4.20 p.m.

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