

# THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1986 – 91

## THE SENATE

*Wednesday, April 19, 1989*

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, April 19, 1989 at 11:25 a.m.

### 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. Sir James Tudor, K.C.M.G.

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

Senator A. Morrison

Senator N. W. Boxill

Senator D. A. Comissiong

Senator Mrs. V. C. Fraser, B.S.S., J.P., M.F.C.A.

Senator Mrs. G. L. Eastmond

Senator A. J. N. Phillips

Senator T. A. Prescod

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 Mrs. P. Y. Forde

Senator J. S. Goddard

Senator Dr. L. L. Shorey

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

Senator A. W. A. McClean

Senator Miss V. P. Brathwaite

*Prayers were led by the Rev. Canon Dr. Lionel Crawford, S.C.M.*

Mr. PRESIDENT: The Senate is in session.

## MESSAGES FROM HIS EXCELLENCY THE GOVERNOR-GENERAL

MESSAGE NO. 3/1989

### HIS EXCELLENCY THE GOVERNOR-GENERAL TO THE HONOURABLE THE SENATE

His Excellency the Governor-General has the honour to inform The Honourable The Senate that he will be absent from the country during the periods 15th to 30th April, 1989 and 5th to 12th May, 1989 on private visits to the United Kingdom and to Jamaica, respectively.

Under the provisions of section 29(1)(b) of the Constitution, the Chief Justice, The Honourable Sir Denys Williams, GCM, will perform the functions of the office of Governor-General during the periods of His Excellency's absence.

HUGH W. SPRINGER  
Governor-General.

GOVERNMENT HOUSE,  
BARBADOS.

### PRESENTATION OF PAPERS

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

### DOCUMENTS TO BE LAID

1. The Defence (Rate of Pay and Allowances) Regulations, 1989.
2. The Economic Report 1988.
3. The Annual Report of the Central Bank of Barbados for the year 1988.

## PERSONAL EXPLANATIONS

SENATOR THE HON. SIR JAMES TUDOR: Mr. President, I believe that I can confidently count on the indulgence of Your Honour and Members of the Senate briefly to explain what might have appeared to be a lack of courtesy when last we met here on my part.

Since we last met, my resignation as a Minister of the Crown has been announced. It was, however, unfortunately not possible to apprise the Senate of my intention when we met last because I had not yet or at that point taken leave of the Governor-General nor was I able to speak to the Prime Minister although we had cleared it with each before because he was out of the Island. I had, of course, previously told him that as soon as the Queen's visit was over that, if it was all the same to him, I would like to retire from the office and, therefore, on the 31st of last month I said farewell to the Diplomatic Corps and to the staff of the Ministry but I did not actually submit a letter to the Prime Minister until after he had returned, dated April 3rd, asking him to advise the Governor-General to revoke the instrument of my appointment. It was, therefore, only due to these circumstances that I was not able to extend the courtesy which was normally due to the Senate to tell them in advance, and therefore I ask, of course, their indulgence.

I wish, therefore, to thank Your Honour, Your Deputy, and all others Members of the Senate without exception, the Clerks at the table and the staff of Parliament for all the many kindnesses and courtesies which I had the Privilege to enjoy when I had the honour of leading the Senate. I have had the honour leading both Houses of this Parliament, an honour of which I am very proud and which I have enjoyed. I cannot, of course, say as Shakespeare made Othello say that I have done the State some service and they know it because he had murdered his wife. But I certainly was happy to have been able to serve and I wish, Sir, to thank again all Members of the Senate for the indulgences and courtesies I have been shown and to commend the new Leader with the same indulgence and courtesies of the Senate. Thank you, Sir.

*Applause.*

Mr. PRESIDENT: I am sure that I voice the feelings of all Members of the Senate when we congratulate the former Minister of Foreign Affairs for the outstanding services he has rendered to this community in a very wide way and we wish him all the best in the future.

*Applause.*

## SUSPENSION OF STANDING ORDERS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I would like to move the suspension of Standing Order 45(2) to enable us to deal with one matter and I shall give notice at the appropriate time of that matter.

*The question that Standing Order 45(2) be suspended during the Sitting was put to the Senate and agreed to.*

## INTRODUCTION OF BILLS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I would like to move the First Reading of a Bill to amend the Mental Health Act, Cap. 45, as well as to introduce a Resolution to approve the compulsory acquisition of land at Ellerslie, Black Rock, for the purpose of the expansion of Ellerslie Secondary School, and I would like also to move the First Reading of a Bill to grant a sum of money out of the Consolidated Fund and to appropriate the same for the service of this island for the financial year ended March 31, 1989.

This latter Bill, Sir, we would like to deal with later on in all stages.

*Asides.*

## FIRST READING OF BILLS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, it has been drawn to our attention that whereas notice was given of the following Bills they need to be read a first time. I, therefore, move the First Reading of a Bill to amend the National Insurance and Social Security Act, Cap. 47, a Bill to amend the Nurses and Midwives Registration Act, Cap. 372, and a Bill to amend certain enactments relating to the payment of pensions, gratuities and allowances.

*The question that the above Bills be read a first time was put to the Senate and agreed to.*  
11:30 a.m.

## PUBLIC BUSINESS

ORDER NO. 1 THE NATIONAL INSURANCE AND SOCIAL SECURITY (AMENDMENT) BILL, 1989.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, the Bill to amend the National Insurance and Social Security Act, Cap. 47 .....

Mr. PRESIDENT: A point of order.

SENATOR A. W. A. McCLEAN: Mr. President, I should just like to enquire about the Order Paper

for today. When the Standing Order was suspended, reference was made to one Bill and I am wondering how many Bills we are in fact dealing with today.

Mr. PRESIDENT: I am not clear as to what ....

SENATOR THE HON. L. V. H. LEWIS: Sir, I will explain. Three Bills were on the Order Paper and we have not read them a first time, but mention was only made of the Final Appropriation Bill which was not on the Order Paper for today. I think the Senator is querying whether there are four Bills or one. In fact, there are the three on the Order Paper along with the Final Appropriation Bill.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, this Bill to amend the National Insurance and Social Security Act, Cap. 47, is a relatively simple one. It has as its main objective the empowering of the National Insurance Board the rights to hold, dispose of and charge property.

The National Insurance Office was established in 1966 and was originally housed in the old hospital compound. In 1973 Government raised a loan of \$6 million from the National Insurance Scheme and built the National Insurance building which is located on Fairchild Street. The National Insurance Office now occupies 15 435 square feet of office space on three floors and pays rental of \$215 940 per annum.

The offices now require an additional 11 787 square feet of office space. This amount has recently been allocated and the rental for the additional space will be \$165 018 per annum, bringing total rental expense to the National Insurance Board of \$380 958. It should be noted that with the funds borrowed from the National Insurance Fund, the National Insurance Board must now pay a rental cost of \$380 958 per year in rent to occupy a building which now bears its name. The space at this point has become inadequate and most unsuitable for the functions of this office.

The anomaly here is that at this point in time in the life of the National Insurance Board that institution is free to make loans to other agencies like the Insurance Corporation of Barbados for establishing its own office, while that Board itself does not have the power under the existing law to purchase or erect its own building. Neither can the Board find any solace in the Interpretation Act, since it does not apply to the National Insurance and Social Security Act which we are now amending.

The proposal before us is to construct an 80 000 square foot building at Flodden, Culloden Road once these lands are acquired from the Government. Forty five thousand square feet will be used initially to house the National Insurance Office, and there will be an excess

or surplus of 35 000 square feet which will be available for rental purposes until such time as growth within the National Insurance Board itself requires the repossession of the additional 35 000 square feet.

The estimated cost of the construction has been put at this point at \$15 million and the completion time is expected to take two years.

As we are aware at this time, the benefits which currently are offered under the Scheme are as follows:

- (1) the sickness benefits,
- (2) maternity benefits,
- (3) maternity grants, and these grants apply to women who do not qualify for maternity benefits in their own right and
- (4) there is employment injury which will cover disablement or disability, death benefit and medical expenses.

There are unemployment benefits, there is an invalidity pension or grant, there is the old age contributory pension or grant, there are survivors' pensions or grants, there are funeral grants and the non-contribution old age pension.

The National Insurance Board financially is in a sound position. Fund balances at 31st January, 1989 stood at \$454 451 092. Balances in the Unemployment Benefit Fund stood at \$29.7 million at the same period, that is, January 31, 1989, and the Severance Payment Fund which, it should be noted, does not form part of the National Insurance Fund, was in a deficit to the tune of about \$10 million.

In order to strengthen the Unemployment Fund and to reverse the trend in the Severance Payment Fund, an actuarial study was commissioned to review the performance of the various funds, especially the Unemployment and Severance Payment Funds. The study has now been completed and the recommendations are now before Government for Government's consideration.

Against this background, Mr. President, I move that this Bill be now read a second time.  
11:40 a.m.

SENATOR A. W. A. McCLEAN: Mr. President, in rising to support this Bill in general terms, I wish to suggest that it should be seen as an opportunity to improve the overall management at the National Insurance. We all know that there have been myriad complaints against the delivery of services to the public

in terms of the late payment of various benefits, and indeed some people would even say the non-payment of benefits, because ever so often we hear of persons who discovered sometimes belatedly that they were entitled to benefits.

I am saying also that there are other areas relating to the recovery of contributions from employers and so on in which there has been less than satisfactory performance by the NIS. Also the fact that one or two of the funds are somewhat embarrassed, such as the Severance Payment Fund indicates that all is not well with the management of that organisation. As it now stands, it is half way between a stand alone statutory organisation and an elephant and a department within the civil service. I think the employees are civil servants and come under the jurisdiction of the Public Service Commission.

I do believe that it is in the best interest of that organisation to give to it a full-fledged image of its own, a legal image of its own, let it function very much in the manner of a statutory corporation responsible only to the Minister and having full responsibility for the appointment, development, deployment and discipline of its staff. In that way I think Barbados would be well placed to develop an organisation which can lay claim to being as good as any in the world.

There is no reason why a small country such as Barbados with a manageable population and with circumstances which would permit of fairly complete information in the areas which would be pertinent to the activities of a national insurance scheme could not develop a system which is second to none in the world. The only thing that would stop us is our desire so to speak to do that. We have within the country people with the capacity to rise to such levels. If we are going to do that, however, we must take the necessary steps not only to make the body rather more autonomous than it is at the moment and to put it under professional management or more highly professional management with expertise in the area of finance and so, actuarial science. We would also have to bring it fully into the modern information age, completely modernised and computerised information processes within that organisation, so that it would with great facility be able to keep track of all that is the proper concern of that body.

Right now I am not so sure how up to date the information will be regarding arrears of payment, let us say, on various funds, or regarding the extent to which people who are entitled to benefits are experiencing difficulty in getting those benefits, whether it is up to date information of an actuarial nature on the likelihood of certain benefits being requested so to speak for people qualifying for various benefits. We need to accomplish all those things and to do that we need to have the appropriate information base in

addition to the appropriate professional skills within the organisation. From what I have been hearing, we have been hearing for some time of efforts to computerise the NIS, but such information as filtered out seems to suggest that the notions of computerisation are rather unambitious and low level in terms of the type of skills that they have been looking for in the people who will guide this effort.

I do believe that in designing the new building due attention must be paid to economy and so on because we have forever before us the experience of the Central Bank which now stands as an embarrassment to the nation as it is indeed in some sense reflected in the document tabled here today. If you turn to the Central Bank Report for 1988 and look at the bottom line and the income for that year, you will notice that the Central Bank of Barbados made a net profit before appropriation of \$275 779.

There was a time when this organisation with a lower level of assets and so on could make profits of five, six, seven and eight million dollars. That is no longer the case. A part of the particular reason for it is the fact that they have invested so much funds in real estate which earns them nothing or very little by way of rental and has a high maintenance cost, insurance cost and so on. So we need to avoid that type of problem with the national insurance scheme which is a financial institution charged with the responsibility for deploying its resources as optimally as possible, and we should not be engaged in any exercise designed to pander to the ego of any particular officer within the organisation.

Going beyond that we need to make sure that the building is adequate for the purposes that it should serve properly, and I think that in designing that building you have to pay due regard to the overall perspective as to how that organisation is going to function, and an important part of that would be what do you intend at the level of information systems. That kind of information would have to be fed to the architects, and I want to suggest that unless there has been some recent radical rethinking on that point, the information that is likely to be fed to the architects might be less than what some people might consider appropriate. I would anticipate that maybe almost immediately or not too distantly after that building is completed within the next five to ten years at the most that nearly every officer within that body should have a work station, that is, a computer terminal so to speak, that they can work at, access information and so on and feed information into a general system, and the manual processes should more or less go out, and all that should go into the design features of the building. If you spend the money in those terms, it is all right, but if you are spending it just to have something big and beautiful to look at, that's another matter.

On the question of portfolio management, there is considerable room for improvement there, and quite clearly the problem has been that persons charged with this responsibility were not professionals in that area, so to speak, and for a portfolio of the size indicated by the Honourable Senator Dr. Clarke, you need professional portfolio management. I would also suggest that the time has come for Government to consider that it is entirely appropriate that NIS should have a foreign element to its assets portfolio. There is no good reason why the Central Bank should be the only Government agency charged with investing foreign resources available to the country other than that allowed to commercial banks, having regard to the dismal performance that they are showing yearly.

The Central Bank is not really oriented towards making profit and so on, but they almost invariably make a lot of profit as an incidental matter, and when they fail to do that something is woefully wrong. So I think that to enhance the viability of the fund we must give it wider powers in terms of its investment opportunities.

11:50 a.m.

You would not be able overnight to allow them to invest \$100 million, or \$50 million or maybe even \$25 million overseas but you could start with \$5 million or \$10 million and build up gradually until, in the fullness of time, the NIS would have a significant portfolio of assets which can earn high rates of return whenever these high rates of return are there to be earned.

I think the days when we saw ourselves as a country where the metropolitan powers just simply drained resources from us and we had to use strategies to divert those resources back to the region, are over. We have to recognize that for our own survival we too have to engage the national economy and exploit investment opportunities.

We cannot handicap the NIS and other organisations of that nature to local investment. It is not the best of strategies and I do not think that stepping beyond local that CARICOM is any advancement on local investment. CARICOM investment is just an extended form of local investment so when I think of foreign I mean truly foreign investment.

The question of personnel management and so on would be substantially enhanced if that organisation is given a degree of autonomy and it is allowed to tend to these things because, quite clearly, it would come under the guidance of people with the necessary know-how and expertise, a board, and senior managers who would have an appreciation of the human resources requirements of such an organisation and who would have as a continuing responsibility staff development

and act in ways which would ensure that from year to year the quality of staff of that institution would improve in the direction which is necessary to allow it to move towards the forefront and to remain there in terms of expertise in the area of management of pension funds and the like.

Of course, for all this to happen, Government would also have to modify, not only this Government, all the Governments that we have had so far should have modified, their attitude to statutory corporations because, as we know, Government have traditionally, and still do, handicap statutory corporations by the manner in which they deal with appointments to the board, first and foremost the persons they appoint to the board and, secondly, the manner in which they view the tenure of those appointments.

It is absolutely necessary that if an organisation such as this is allowed to achieve its full potential, that you have to look at the persons appointed to the board as persons who are doing that board a favour rather than as persons to whom you are doing a favour by putting them on the board.

Any time that it is perceived that a Minister is doing someone a favour by appointing him to a board we know that is the wrong person because the benefit for the individual from serving on a board is so trivial in relation to the serious responsibilities that are associated with board membership, that if someone is getting a benefit from getting on a board, you are doing the country a great disservice.

People who serve on boards must be seen and must be able to render a service to that board and to the country and it should be a matter of sacrifice to them in the sense that they can better spend their time to their own advantage. When you have people who cannot do that, you have the wrong people.

You must also come to understand that if you have the Government and the Cabinet should, at the suggestion of a particular Minister, accept a particular board, you hope that he would accept it against that type of back drop as to what is appropriate by way of appointments and then you get another Minister who comes along. He does not have to show that he is a Minister or a new Minister by changing boards.

We have had a situation through this country for far too long where you get a new Minister of Transport, for instance, you get a new board. Overnight everybody has gone, a new board. You get a new Minister of Finance, you get the boards all mixed up. You take half of the Barbados Development Bank Board and you put it over at the BNB and you take half of the BNB board and put it over at the Barbados Development

Bank and at the end of the day you have a situation where all of the expertise, all of the knowledge of the activity of the particular board that half of the members has acquired, is now gone elsewhere and they have now to start from scratch to come to grips with the problems so you set things back almost to square one. That is patent foolishness.

It is not necessary for Ministers to behave in that way to remind the public that they are Minister now and not the person who was there previously so we need if we are going to allow an organisation such as this really, first in the way that I suggest that it should, in addition to the things I outlined earlier at the kind of technical level and so on, you need a new attitude on the part of Governments to the appointments of boards.

As long as the present attitudes persist that Ministers feel that they are in a position to dispense people because they have a responsibility to appoint people to boards, as long as that notion that appointments to boards are a matter of dispensing favours, as long as that persists, this country will always find that the statutory boards would under-perform and they would be something of a millstone around the necks of the country so when I suggest that you should make the NIS more autonomous, I am not suggesting that you should put it more firmly into the grips of politicians to abuse it. If that is going to happen, leave it the way it is but I would hope that we can move to a new height of understanding and do the things in the right way to get it autonomous and allow it to function under the leadership of people competent to guide it in the way it should be guided.

I thank you.

SENATOR J. S. GODDARD: Mr. President, I also rise in support of this Bill but I am a little disappointed in the interpretation, as I understood it, from Senator Clarke.

It seems to me the main purpose of the Bill was to empower the National Insurance Board to acquire real property on which to construct an office building for its use and for tenants. I was hoping that there would be a broader interpretation and that the National Insurance Board would be able to invest in real property as part of its investment portfolio. If I am wrong Senator Clarke may correct me later on that but that was my understanding.

Why I say that, Sir, is because Senator Clarke said the assets at the end of January were slightly in excess of \$454 million. Sir, I am referring to the Central Bank of Barbados Economic and Financial Statistics, March 1989, which provide figures to the end of December

and at the end of December the total assets were \$451 990 000.

Now, of that, I am reading wrong figures, \$173 million in advances to banks and financial institutions, \$172 invested in Treasury Bills, \$64 million in debentures and then there are other investments under \$40 million.

The point is, Sir, the investment strategy seems to be investing most of the funds in relatively short-term instruments whether it be advances to other institutions or Treasury Bills where the rate of return would be less than if those investments were made in longer term instruments.

I say that because there should be a very clear understanding as to the primary purpose of the fund. Is it there to provide the range of benefits for the citizens of this island in due course in which case you are looking to maximize the return on the funds that have been invested or is the primary purpose to provide funding for certain Government agencies and Government projects? Now, that is a very important distinction and I think Government has to be very, very clear on which is the primary function of the board otherwise there seems to be conflicts of interest there.

I would think that there would be room for investment in instruments and including developing real estate that would provide a better rate of return than having this preponderance in investment in short-term advances to financial institutions in Treasury Bills.

I also share Senator McClean's concern that out of the \$451 million in total assets at the end of December less than \$1 million was invested in foreign investment. Now, I know and I appreciate that there are foreign exchange constraints but I would think in the private sector insurance companies the same way they spread their liability risks they want to spread their asset mix in their portfolio.

12:00 noon.

They want to have investment in various economic sectors. They also want to have a geographical spread both within and outside of the Caribbean. I think it would be prudent over time to develop this type of spread within the investment strategy, Sir. Ninety percent of the Fund is now invested in advances and Treasury Bills locally. I say that, Sir, because I have some concern there on the investment strategy, and I am also expressing a concern as to what really is the primary function of the funds under the control of the National Insurance Board.

Secondly, Sir, I should like to turn to the liability side because, after all, insurance is managing assets where you are trying to maximize the rate of return, and it is also a question of making provision for the liabilities that will

arise over time. The Fund is now a very considerable amount, \$451 million. In fact the annual contributions to the Fund, and I am speaking just of contributions, not earnings on the investment in 1988, was \$122 million. That was greater, to give you some idea of the amount, than what the Government collected by way of personal income tax, surcharge on income and surcharge in corporation tax. Those three amounted to \$119 million. I am only drawing the comparison to indicate the significant amount that is paid into the National Insurance Fund by way of contributions. As to whether the \$451 million is adequate in view of the liabilities, I have no way of assessing it and in no way am I implying, saying, or questioning the integrity of the Fund.

But, Mr. President, I have never seen an actuarial report or certificate on that Fund. Actuarial science is a very complex science. Senator Clarke did say that there was a recent actuarial evaluation, and I am pleased to hear that. I think it is only fit and proper that the Board and then the appropriate Ministry should be looking at that report and that evaluation.

But, in my view, I think we are dealing with such a large amount of money that affects the lives of so many citizens that the actuarial evaluation should, as soon as possible, become a public document, so that we are all in a position to assess whether the assumptions that have been made are correct, whether the Fund would be adequate to meet the liabilities as they arise.

One final point, Mr. President, most pension schemes in the private sector are integrated with the NIS Pension Scheme. Yet, as far as I am aware, there is no stated Government policy with regard to the NIS ceiling. I believe the insurable earnings have been stated at \$2 600 a month for some time, and I am not aware of any policy as to how that is likely to increase over time. Therefore companies providing pensions in the private sector have to make certain assumptions which compound their problems in dealing with their private pension plans.

So that all I am asking is that, in time, whether Government could give some indication or statement of policy as to how they see this ceiling increasing or not increasing, whatever it is. I am not trying to prejudge the issue. But it certainly would facilitate the funding of pension plans in time.

With those remarks, Sir, I am very happy to support this Bill.

Thank you.

SENATOR THE HON. DR. C. D. CLARKE: Mr. President, Sir, I have noted the comments made by Senator McClean and Senator Goddard. I think both Senator McClean and Senator Goddard have more or less concen-

trated their major comments on portfolio management. By definition, that is a management function. We have noted your comments and these will be passed on.

Senator Goddard raised the question of the purpose of the amendment. It is set out in the Bill before you. It is to hold, dispose and charge property. While the initial position is to find headquarters, the second thing need not be the limiting factor. It is rather more encompassing than that.

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

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

*On the motion of SENATOR THE HON. Dr. C. D. CLARKE, Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, HIS HONOUR SENATOR M. deL. JORDAN in the Chair.*

#### COMMITTEE

Mr. CHAIRMAN: The Senate is in Committee.

*Clauses 1 and 2 inclusive were called and passed.*

*On the motion of SENATOR THE HON. Dr. C. D. CLARKE, the Senate was resumed. Mr. CHAIRMAN reported to Mr. PRESIDENT the passing of one Bill in Committee and Mr. PRESIDENT reported accordingly.*

*On separate motion of SENATOR THE HON. Dr. C. D. CLARKE, the Bill was read a third time and was passed.*

12:10 p.m.

#### FINAL APPROPRIATION BILL 1989

*Order No. 4 was called – To move the Second Reading of a Bill to grant the sum of \$161 290 084 out of the Consolidated Fund in respect of the Financial Year, 1988 – 89 for the services and purposes specified in the Schedule.*

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I rise to move the Second Reading of the Final Appropriation (1988 – 1989) Bill. The authority for so doing is vested in the Constitution of Barbados, Section 109 (5) which reads as follows:

“The Minister responsible for Finance may at any time before the end of the financial year introduce into the House of Assembly a Supplementary Appropriation Bill containing under appropriate Heads the aggregate sum so voted and shall as soon as possible after the end of each financial year introduce into the House of Assembly a Final Appropriation Bill containing any such sums which have not yet been included in any Appropriation Bill.”

Mr. President, it is my understanding that this is the earliest time in the history of this country that the Final Appropriation Bill has been presented so close to the end of the financial year, that is the end of March 31, 1989. I am sorry that Senator Goddard is not in his place at this time because I would challenge him that not even the efficient private sector is in a position to get out or frequently gets out its final report or audited statements so close to the end of the financial year. As a result, I believe that this Government should be complimented for coming before the Senate with the Final Appropriation Bill so soon after the end of the financial year. I also have some words that would gladden the heart of Senator Blackman a little later but I shall save it until I get through this presentation.

Before we move into the actual presentation and taking a look at the Resolutions which were approved, perhaps we should set the background by taking a look at the Economic Report for 1988 so that we would have a frame of reference for discussing and debating the Resolutions which were approved during the financial year just ended. From the Economic Report we saw that gross domestic product in real terms grew by 3.5%. I believe that I informed this Chamber, based on the provisional figures I had when we introduced the Appropriation Bill 1989 - 90, that the growth rate was 2.5% and I believe that a year earlier I had projected a growth rate of somewhere between 2% to 4%. So the figure is really a 3.5% real growth rate in GDP.

While unemployment levels have not really fallen, we are happy to report that 2,300 jobs were created in the period. The export sectors led by tourism and manufacturing contributed to over 60% of the real growth within the economy. The overall deficit which pretty well determines what our credit rating and ranking will be in the international community improved so that it now stands at 4.8%, a mark improvement of GDP over the 9% that we experienced in 1987 - 88. Overall the balance of payments was in surplus by \$70 million compared with the \$40.5 million in 1987 which is close to, I believe, about 75% improvement.

It is against that background that I shall be discussing the Resolutions. We have been hearing much that there has been runaway expenditure. From the figures which I have indicated and read out earlier, these figures give a clear indication that the Resolutions were not only necessary but that they were well spent. The sum of \$568,015,105 was appropriated in the 1988 - 89 Appropriation Act. This Final Appropriation Bill seeks to appropriate an additional \$161,290,084 broken out as follows: Current Expenditure will account for \$63,564,733. This is less than the \$78,467,915 approved for Current Expenditure in the financial year 1987 - 88. So in terms of expenditure in Supplementary Resolutions there has been a

decrease in the overall dollar amount of the Resolutions presented in the year just ended.

The Resolutions for the Capital Expenditure totalled \$97,725,311 and these were mostly to complete works already in progress. Perhaps I will go through and give a breakdown of these by Ministries and by Departments of the Resolutions as presented during the year.

Under Head 10 - Governor-General and these are Part I Current - \$69,462,000

Head 12 - Parliament - \$279,191

Head 13 - Prime Minister's Office - \$191,137

Head 14 - International Transport Division - \$925,478

Head 15 - Cabinet Office - \$1,154,218

Head 16 - Ministry of the Civil Service - \$3,952

Head 18 - Audit - \$10,060

12.20 p.m.

Head 19 - Ministry of Finance - \$18 745 917

Head 20 - Revenue Collection - \$181 963

Head 23 - Loans and Advances - \$500 000

Head 24 - Pensions - \$1 600 000

Head 25 - Ministry of Agriculture, Food and Fisheries - \$1 392 091

Head 27 - Meteorology - \$119 373 000

Head 28 - Ministry of Legal Affairs - \$1 239 548

Head 29 - Public Prosecutions - \$2 850

Head 30 - Police - \$10 875

Head 31 - Prisons - \$535 640

Head 32 - Fire Service - \$99 395

Head 33 - Probation - \$8 132

Head 34 - Ministry of Education and Culture - \$2 000 000

Head 35 - Ministry of Foreign Affairs - \$728 700

Head 36 - Ministry of Health - \$13 262 117

Head 37 - Ministry of Housing and Lands - \$305 350

Head 39 - Ministry of Employment, Labour Relations and Community Development - \$8 554 322

Head 40 - Ministry of Trade, Industry and Commerce - \$107 500

Head 42 - Ministry of Transport and Works - \$11 336 409

Head 50 - Post Office - \$201 093

For total on Current Account - \$63 564 773.

I will not read out all the Capital ones, although they are fewer, for the total of \$97 725 311. The overall total is \$161 290 084.

I just want to highlight a few of the major Resolutions. First of all, out of the \$63 million on Current Account, \$18 205 000 went for the salary increases. I think it is fairly close to 28%. Another area was the subsidy to the

SENATOR A. W. A. McCLEAN: If I remember correctly, there was a time when money Resolutions were debated. The Act was not changed, the interpretation thereof was changed, the Attorney-General interpreted it differently.

Mr. PRESIDENT: If he interpreted it differently and it was accepted by the Chamber, that is the change.

12.30 p.m.

SENATOR A. W. A. McCLEAN: Mr. President, I do not know how I can proceed to reject that interpretation.

Mr. PRESIDENT: Address a letter to the Attorney General.

SENATOR A. W. A. McCLEAN: Anyway the Chamber has been rather concerned about that from that time up to now, and I believe efforts are now being made to deal with it, but anyhow, in relation to the Bill before us, it must be noted that it relates to a lot of matters of which this Chamber has not previously been apprised and indeed has not been apprised in any detail on this occasion, and in those circumstances I think that it is entirely appropriate that Senators should take this opportunity to comment on anything therein and ask questions on anything that they do not have adequate information on.

In relation to the matter of comment on the Bill itself, I would just like to observe that the total supplementary provision under current and capital, according to the Bill at the bottom of page 5 amounts to \$161,290,084, and in relation to the total provision of the 1988-89 Estimates this represents a figure of about 16.4 per cent of the original Estimates. When we recognize that in the last year the gross domestic product measured in nominal terms grew, if my memory serves me right, by a quick look at the document here by something in the vicinity of 6.7 per cent, you will understand the significance of a 16.4 per cent increase in the provision by Parliament. This bespeaks of in the first instance a lack of adequate planning to have to come for this magnitude of supplementaries in the space of a year, and secondly, it indicates certain dangers pertaining to the rate of growth of Government expenditure and the limited evident control that has been exercised in that direction.

I notice that the figure of \$161.3 million has been broken down into about \$97.7 million capital and the remainder current. That figure of \$97.7 million capital is especially alarming because that is the area in which you should be doing forward planning. There is a figure here under Head 73 of \$36 million that has not been explained. I have an idea what it is about. It goes under

Transport Board in the Current Account, and this was, I believe, \$10 million, and this represents a reduction from the previous year, 1987-88, when the subsidy was \$13 million. In addition, under the Capital Expenditure for the Transport Board, the sum of \$28 million was allocated for the purchase of new buses.

Two things are happening here under the Transport Board. One, the subsidy has fallen from \$13 million in the preceding year to \$10 million in this year, and with the acquisition of the new buses and the servicing, perhaps, of the short haul routes, we should have lower costs on maintenance, because the rolling stock would be newer, and two, down time would be less, more buses would be on the road and by servicing the short haul routes we should hope that in the new year the subsidy should even be smaller, if not non-existent.

Mr. President, it has been my understanding that the Final Appropriation Bill does not really warrant much debate, although last year we had an exception to this rule. However, Senator Blackman and other Members on the other side have been for some time expressing a desire to have an opportunity to discuss and debate Resolutions on a more timely basis. I am happy to report that the Government is looking at the possibility of introducing Appropriation Bills on a quarterly basis, which will give the Chamber an opportunity to look at the Supplementary Resolutions approved on a more timely basis during the year. This is now under consideration, and we are actively looking at it.

With those comments, Sir, I move that this Bill be read a second time.

SENATOR A. W. A. McCLEAN: Mr. President, I believe it may be presumed that the news that in future we will be getting Appropriation Bills quarterly instead of annually should go some way to leading the Senate to perceive that it is not being ignored, so to speak, in relation to the matter of money Resolutions coming before Parliament. But, be that as it may, we have an Appropriation Bill before us in which the Senate had no opportunity to comment in any degree on any of the money Resolutions which form the basis for this Supplementary Appropriation Bill, and so therefore it is entirely pertinent . . . . .

Mr. PRESIDENT: That is what the Act says, you see, so do not discuss the Act. The Act of Parliament determines what the Senate can discuss in so far as money is concerned.

SENATOR A. W. A. McCLEAN: An interpretation of the Act rather than the Act.

Mr. PRESIDENT: No, the Act says what are your functions up here in dealing with money.

the Ministry of Finance, under the rather grandiose title of "Purchase of equity by Government in commercial ventures". It has not been explained and perhaps it should have been that it could have been explained, because that is the one area if my interpretation of what that means serves me aright where it does not really relate to any expenditure in a substantive manner by Government during the last financial year; but it is not for me to explain these matters; it is for the Minister as to how that figure arose, and secondly why it was not anticipated at the time of the formulation of the budget. I believe it could have been anticipated at that time if what I believe it is really what it is.

The matter of \$97 million bears comparison with what we find, let us say, in the 1988-89 Estimates pertaining to the year 1987-88 Capital Estimates; this is the Memorandum page xii, and when you look at Part 2 Capital, summary of expenditure, they have the figures for the Estimates 1988-89 \$178 921 313; you have the Estimates for 1987-88 \$177 389 589, and the provision in Supplementary Estimates, there is a big blank down that column, not one cent in supplementaries in capital during that year. That has been the normal pattern or close to the normal pattern in previous years because Governments were accustomed to planning the capital expenditure and sticking to that. Indeed it has been normal for the actual capital expenditure, if you go back through these Estimates historically, in any particular year almost consistently to be rather less than the amount voted in the March exercise.

Last year for the first time we have a new development which in some sense was foreshadowed towards the end of the 1987-88 year, given the closeness of the actual expenditure figures to those that were voted. Usually they are not so close, and I do recall that, in commenting on these figures, the Ministry of Finance, I put it at that level, seemed to think that it was a matter of achievement that they were able to spend the money that was voted. They were able to speed up and spend the money within the period. Other administrations used to think it a matter of achievement that they could get a certain amount of work done within the budgeted amount, and now we have a situation where the supplementaries on capital are far outstripping in proportionate terms and indeed absolute terms on this occasion the supplementaries on current account. That does not bespeak well of the administration at all, and indeed to address that we need to return to a period that you plan your capital expenditure and you stick within those plans. The idea of bringing on stream examination centres overnight out of the blue without any prior discussion within the community, is a no no. You should either plan it before, give the country, not only Parliament, the chance to comment on the absurdity of such a proposal, then bring it.

You had a line item in last year's Estimates of slightly over \$1 million to deal with pre-planning for that facility, and all of a sudden you jumped from the planning into actual construction voting a supplementary of \$12 million which was discussed in the Other Place but certainly not up here, and I believe that it is appropriate that such major expenditure on such projected intended to be of a social nature should be discussed in the Chamber having regard to the fact that a part of the composition of this Chamber was designed to give Parliament some type of capability in those areas. I am speaking now of the independent Senators who are appointed with reference to their knowledge of and involvement in various areas of social activity and so on. So I am saying basically that Government must return to adhering to their capital projections. If we don't do that we are nowhere at all. We have had statements coming from the highest levels of the present administration suggesting that things that are set out in manifestoes do not constitute a social contract, they are just there, they should not be taken that seriously by the people to suggest that you say you are going to do it and you are going to do it. Well there are others who have a different view, who feel that manifesto promises properly form part of a social contract especially when you insert in that manifesto a solemn pledge signed to by the leader of your party on behalf of all the Members. If that does not indicate to the country that you are entering into a solemn pledge, into a social contract ....

Mr. PRESIDENT: The manifesto is not now a matter before us. I can't have a debate on the manifesto.

SENATOR A. W. A. McCLEAN: I am not debating the manifesto, I am just saying then to come back to the Estimates, that even if you want to forget about the manifesto, the country should be able to take the Estimates of Expenditure seriously. Businessmen form their plans around these things, and Government expenditure has implications for the private sector, and if you have an expectation that Government is going to spend one amount of money, that Government is going to undertake a certain set of capital projects, and all of a sudden overnight you hear something else, you throw the whole place into confusion. That is almost as bad as reducing income tax and corporation tax and next year coming and slapping on a surcharge. Those things do not conduce to proper private sector planning so to speak within the economy and they do not allow anyone to feel confident about what Government is going to do from day to day or from week to week at the level of expenditure. 12.40 p.m.

I heard Honourable Senator Clarke indicated that he was going to comment on these supplementaries against the back drop of a 3.5% growth in GDP, job creation of 2 300 and export growth in manufacturing, a reduced overall deficit.....

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order. It was not a drop. It was an increase. It was a 3.5% growth rate.

SENATOR A. W. A. McCLEAN: I said "growth in". A 3.5% growth and not a decrease at all, an overall deficit of 4.8% going down from 9%.

I thought that since we were on the Estimates of Expenditure and the Appropriation Bill that he might have been directing especial attention to the question of the size of the overall deficit and that he was going to tell us that because the out-turn was proving to be rather better than Government had anticipated to the tune, I understand now of, may be some \$78 million, that Government decided to spend some more money because that is the only way I see you can make that connection that you want to explain these high appropriations against some back drop, that you saw you had rather more in the kitty and decided to spend it rather than to leave it there and ease up the taxation next time.

I would think that, if that was any part of his intention, he should think again about such things because when we do look at the Economic Report and choose to comment, not only on the Appropriation Bill but, overall, the Government's fiscal policy during the last year, what it tells us is that Government went off on a false alarm and did untold harm to this country.

It tells us that instead of 3.5% growth you should have had about 5% growth if we were not overtaxed. It tells us that instead of having 2 300 jobs created we should have reverted to the 1986/87 situation and have 5 000 jobs created and it tells us many other things.

There is reference to a balance of payments surplus of \$70 million as compared with about \$45 million the year before and at a certain level 70 is more than 45 and, therefore, that should be pleasing but that is not the case. Large balance of payment surpluses are only pleasing when they rise in a context in which Government did not engage in any significant foreign borrowing.

If Government finds it necessary to borrow substantially abroad, that should be for purposes of getting a transfer of real resources in this country to assist with Government's activities and to make sure that the overall country has adequate access to such resources.

When, in the face of borrowing \$80 million in the Japanese market, you have an overall balance of payment surplus of \$70 million, if you allow the \$20 million that you had to pay back to the International Monetary Fund you would have an actual increase in reserves of \$50 million. What we are here seeing is the other dimension to this business of borrowing unnecessary funds.

On an early occasion we have indicated that Government borrowed the \$80 million from Japan and up to now they have not used it. They have it on account and they are earning rather less interest than they are being charged.

There is some uncertainty in what form this account is held because I saw in the January statement of the Accountant General he represents it as a deposit with the Central Bank but in the Central Bank's Statement I do not see any such thing so there is a difference between the presentation of the Central Bank and the presentation of the Accountant General on that point. Wherever it is, and however it is held, and whoever is paying that 4% interest of the Government, the fact of the matter is that you are borrowing at about 6.8% and you are lending at 4% and you are losing 2% and that is happening precisely because we have built up our foreign reserves \$50 million by borrowing, and we are earning rather less by way of the type of foreign securities that we are holding as our reserves and we are paying on the loans that generate it so then you find yourself in a situation where you have to borrow \$80 million in reserves.

You should target your minimal growth in the overall balance of payments otherwise you are borrowing with one hand and lending back the same amount of money you borrowed to other people. That does not make sense because you are borrowing high and lending low. So you want your reserves to grow when you are in a position not to borrow and by virtue of the sale of goods and services and so on and by private sector activity — if they are doing the borrowing, okay — if you are getting foreign investment from the private sector okay but from private sector activity overall you are able to build up your reserves, not by Government borrowing.

When you have entered a period and you have been in it for some time now you must remain in that mode for the next five years at least. Where Government must borrow substantially from year to year you cannot grow over any substantial increase in reserves because if you do it it is costing you. It is not any particular benefit in those circumstances.

Once your reserves are adequate, let them stay there and grow at a measured pace until such time as the private sector activity is able to earn the foreign exchange in such a way that you can grow substantially out of private sector activity. So that \$70 million balance of payment surplus is not something to rejoice about if you understand these matters.

What is worse, I suspect that there is some misunderstanding of these matters somewhere because when I look at the Central Bank Economic Financial Statistics, March, 1989 — I think that these are generally made a document of Parliament — I find that in relation to a

particular component of international reserves, and these can be found on page 65, which is Table 8.1 continuation thereof, 1988, and looking at the amounts, November, December and January you would notice that in the case of the commercial banks that we have here represented that the foreign levels of the commercial banks adjusted — I will explain in a minute what is meant by that — in compiling these international reserves, what the Central Bank does is to represent the foreign assets of the commercial banks as part of our international reserves.

This is slightly unorthodox but they do it because they say under the Exchange Control Regulations they have control over the reserves and they can direct the commercial banks to pass it over to them or do whatever is necessary. So by virtue of the Exchange Control Act they say they have effective control over the foreign assets of commercial banks and, therefore, they do not have to, but they are given a discretion by the International Monetary Fund as treating them as part of the foreign reserves of the country but they make an adjustment.

They do not adjust out the full foreign liabilities of the commercial bank. They just simply adjust out those short-term liabilities due within a year or thereabout and the difference between the overall assets and the short-term levels of the commercial banks they call that the foreign reserve component held by the commercial banks.

From year to year that results in a situation where although the commercial banks might have negative foreign assets overall, or very minimal foreign assets overall, it can fluctuate one way or another — the difference in recent years has been minimal — you can still see that they represent a substantial amount of the foreign liability long-term and, therefore, the commercial banks are seen as making a substantial contribution to the foreign reserves of the country.

12:50 p.m.

From year to year, the movements are fairly stable. At least, from month to month, they are normally stable. But what we see here now on this occasion is that in that Table I mentioned on page 55 that the adjusted foreign liabilities of the commercial banks which going back to April \$40 million, \$45 million, \$51 million coming down month to month from April, \$43 million, \$52 million, \$51 million suddenly jumped from \$51 million to \$97.5 million in December down to \$53.8 million in January. From \$51.2 million in November to \$97.5 million in December and back to \$53.8 in January. That has to be some kind of window dressing either by the commercial banks or by somebody else who is interpreting the commercial bank data.

The net effect of it, however, is that, because of this little quirk, the balance of payments of Barbados

would be reflected at about somewhere in the vicinity of \$45 million, even if you take the \$53.8 million, \$44 million less than it would have been otherwise if you did not have this sudden shift in December month only, maybe only for one day. We do not know. In which case then, the balance of payments surplus would have been not \$70 million but \$115 million. That would have been embarrassing. It is not so. But this needs to be explained. It is unusual in every respect.

#### *Asides.*

Mr. PRESIDENT: Order, please. We are not having cross talk now with this. Make your point. We are not having cross talk in the Senate about points. This is not a free-for-all discussion.

SENATOR A. W. A. McCLEAN: In relation to the year before, if you look at the year before, you will notice a movement in the adjusted foreign liabilities. But you will also see a movement in the foreign assets matching that. If you go to the net position in the year before, you would have seen very much of a likeness from November to December to January.

Indeed, ever so often in these statistics you do see these unusual jumps in the assets and liabilities overall. But they move together. It seems as though, somewhere along the line, the activities of the offshore banks, at least maybe one of them is filtering into this thing in a way that it was not intended to. You find that, all of a sudden, some institution reports \$50 million in assets and \$50 million in liabilities. It stays for a day or two and it disappears. But we have never seen a situation where just the short-term liabilities bump away and the assets remain the same. This is the first time.

If you search for it further and you go to Table B4 on page 12 — this relates to the commercial banks' external liabilities — you will see the net foreign position of the commercial banks went from +22.863 million to — \$9.834 million back up to +\$36.473 million. That reflects that unusual movement again. If you look at why this happened, you notice external liabilities jumped from \$94.743 million in November to \$139.278 million in December and fell back to \$92.97 million. Under the said liabilities column, you have other liabilities now jumping in that particular way. So the two external liabilities are explained by a movement in the other liabilities, not by those that you can see under Commonwealth Caribbean and elsewhere and so on.

If you go to your Notes — I would not spend the time now — you get an explanation of what other liabilities are, the type of items that are there. You can ask yourself whether that should show such unseasonal movements, such sudden movement. You can trace the thing further through the commercial banks statistics.

Under Head 25 pertaining to markets. We know that there is a new market down the road which may or may not be — I do not know if it is opened as yet. But we should have some explanation of these matters.

The Ministry of Legal Affairs, General Administration over \$1 million also. We know that they moved out and went renting and things like that but we still need to have explanations. We even need to have explanations for the things that seem evidently desirable like the Ministry of Education and Culture, University of the West Indies \$2 million. Remember that Senator Shorey has been bemoaning the reduction in the provision for the University of the West Indies in the previous year and the one before that and we see that you had a supplementary. But we need an explanation. This may just be a matter of the money that you are lending the University rather than any increased expenditure at all. Is this a loan or is this genuine increased provision? It may very well be that all this is that you are making \$2 million available in advance. So you are bringing it into a Financial Year to which it does not properly apply. We need explanations.

When we get to the Ministry of Health, having regard to all the controversy surrounding that Ministry, General Administration \$960 515, Drug Service, Queen Elizabeth Hospital, large sums there, we recognise that the health service is of the highest priority and we should not be penny-pinching in relation thereto. But we must also be efficient in our expenditure. We should have explanations as to why these things and what difference will it make? Why is it necessitated? And so on. Could you have applied that money to the same institution for a better purpose? All those are issues which must be raised.

I believe that this Chamber should be involved in those discussions because it is here that you get rather more sober reflection on substantive matters and rather less of the cut and thrust of political debate. And so, on 1:00 p.m.

You have the Ministry of Employment — assistance to persons, child care, and so on, laudible purposes. But we want to know if it is equally well applied and nobly applied and so on because we often know that there are occasions when money may be spent ostensibly in a good way but for bad reasons and with bad results. So we need to be able to monitor these things.

Now the subsidy in the Transport Board, I think that Senator Clarke and I speak slightly subject to correction because I am not entirely sure if the last Estimates or this Estimates was the one where the adjustments were made. I did not have time to check it in relation to the Estimates. But I rather think that in the

So it seems as though in relation to these statistics that they need to be explained, if not re-examined.

I am suggesting that when you look at the balance of payments surplus of \$70 million, it could very easily have been \$45 million more than that. I am just saying that if it were \$70 million plus \$45 million, which is \$115 million, and the Government did not borrow one cent from the Japanese \$80 million, you would still have had \$35 million current account surplus. That is entirely in order. That is good money. If you go further into this report here and you look at the net capital flows and so in the private sector you notice that they have gone down to \$27 million. A surprising type of thing, although we are hearing about private sector investment in Barbados during the last year. This is again because of treatment of some of the matters to which I have already referred to.

I would not detain you any more. But every time you look, you see something which looks like window dressing either by the commercial banks or by somebody else. I believe that we are deserving of an explanation of that particular point.

Getting back to the provisions in the Appropriation Bill, there are a number of large figures here and I would have preferred if the Minister or anyone else can give us some explanation as to what these things are. It is not, in my view, good enough to tell us Prime Minister's Office so much and Ministry of International Transport, Telecommunications and Immigration so much. Tell us a bit about the particular items, why the increase and what it was about. For instance on page, I do not see a page number at the bottom but it relates to Part I. Anyhow, it is the third page down where you have Part I Current Head 14 under the Ministry of International Transport and Telecommunications, we see for Airport Management Services a provision of \$350 529. That bears some explanation. You could guess at the regional services in relation to shipping development and you could probably guess at the Immigration Department. But those are large numbers which should also bear some explanation.

Under Head 15, Cabinet Office, General Administration. I do not know what big and funny things could happen to General Administration within a year that you cannot anticipate. I see \$668 700. We should be told about what that is. Conferences and Delegations \$400 000. Also, we would like to know what was new, what you did not anticipate, or whether it was just a matter that you had more money to spend and you put more money there. Was it necessary? We could probably guess at the markets. But this is such an important item that I believe this Chamber is deserving of some presentation on the new arrangement within the Ministry of Agriculture

1988-89 Estimates you had a departure from the previous year in that specific subventions were made and the provisions were made under the Ministry of Education, Police, and other places. I believe it started in that year but it may not have been started this year. But at least it was mooted about a year ago. Yes, I remember. I suspect it is in those Estimates. If that is so, you are not comparing like with like. You have to combine the sums made available to the Transport Board by way of reimbursement or payment for services rendered to old age pensioners and so on to the out and out unqualified grant to make comparisons with previous years. In previous years the grant was intended to cover everything and I think as I said on a previous occasion when this thing was first mentioned by the Minister of Finance who had recently assumed his duties, that in many ways the whole arrangement can be regarded as slightly more efficient than the rest, if only at the level of financial control and time of accounting staff and other staff within the various Ministries for these things. If you are going to take a parcel of money and push it through 4 or 5 different Ministries, you have 4 or 5 Permanent Secretaries and 4 sets of accounting staff and so on, and then the Ministry of Finance and everybody having to chase around all of these to bring them back together. That takes time.

At the end of it, therefore, the Transport Board is not getting any different sum from if you had decided well this is the amount we are going to give you overall. So if you are going to put \$5 million, some in Education and some over there and some somewhere else and then a grant of \$10 million — all that could be decided up front and give them a grant of \$15 million. Anybody who wants to engage in exercises to determine what was the fare saved by old age pensioners and by school children and therefore what was the effective subsidy contained within that grant can do that arithmetic. But it is not necessary to hand the money out like that to be able to check on those points. You are only creating a less cost efficient method of getting funds towards the Transport Board. The substantive point is that you must compare like with like. You cannot compare \$13 million and no subventions through these various channels with \$10 million and lots of money coming from the Ministry of Education, Police, and so on. Unless the intention was, and there are some people who argue that that was their sole reason for doing it that way, to come now and say that the subsidy has declined. But that is a false argument and it must be exposed. If that is the only reason for trying to do it, to raise that argument will not catch these people who understand these things. Go back to something which is rather more cost efficient.

Basically, Mr. President, what we have before us is a reminder that, when we sit down in March and discuss the Estimates and we scrutinize and we do everything there is a fair chance a lot more will pass behind

our backs or before our noses or beside us or wherever that you are not getting a chance to comment on it until after the fact. Even if we had the Appropriation Bills quarterly, you only get a chance to comment after the fact also because the funds would have been appropriated technically before that by Resolution. It is entirely proper that this Chamber should be treated in a better manner in that respect. I do not reflect on the Bill which is before us.

Beyond that we have a situation where we cannot even rely on Government to adhere to its Capital Expenditure Estimates..... you know. I did not work out the percentage on that but that is almost 50% increase. Without looking at it, it may be over a 50% increase. You cannot rely on that. With those sorts of Supplementaries you cannot take what Government tells you in the Estimates seriously. We are faced with a situation where it seems as though, when Government finds itself with rather more money than it anticipated, it is at a loss of how to spend it, even if you are going to spend it on Examination Centres that we do not need.

I thank you, Mr. President.

#### SUSPENSION

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I think the time has come when we should suspend the sitting for one hour. I beg to move that the sitting be now suspended until 2 p.m.

*The question that the sitting be now suspended until 2 o'clock p.m. was put to the Senate and agreed to. 1:10 p.m.*

#### ON RESUMPTION

Mr. PRESIDENT: The Senate is in session.

SENATOR C. A. BLACKMAN: Mr. President, I should like to begin by commending the Minister and the Ministry of Finance for bringing the Final Appropriation Bill for the financial year just ended within 30 days of the end of that financial year. I agree with his observation that it is a performance that would hardly be matched in the private sector so soon after the end of a financial year.

I also welcome the Bill at this time, because it affords us an opportunity of, if I may put it this way, Sir, almost completing some of the unfinished business of our debate of last month in terms of where time ran out on us in debating the Appropriation Bill for the current financial year, in that it affords us an opportunity to look and reflect on certain Heads which required supplementary appropriations.

As is my wont, I would prefer my contributions to be based on Heads which were the subject of the appropriation, but before so doing I wish to share the concerns and observations of Senator McClean for more detailed and substantive information for some of the substantial expenditure incurred on the Heads for the year past. Since we were not afforded the opportunity of debating these things substantively at the time, we are not always aware of the reasons why expenditure may have been incurred.

The one item in particular which stands out, on page 5 of the Bill, Head 73 — Capital, Ministry of Finance, was an appropriation of \$36 million for purchase of equity by Government in commercial ventures. I should be grateful for some elucidation as to some of the ventures in which this money was invested.

Sir, under the same Ministry of Finance but Recurrent Expenditure, Head 19, there were sums totalling close to \$19 million, the bulk of which was arrears of salaries and wages, but with respect to that Ministry I wish to raise a concern and put a question to the Minister. The Minister of Finance during the course of the past financial year appointed a Commission of Enquiry into the affairs of Trade Confirmers. I should like to enquire of the Minister when is that report going to be published because it is known that the report has been submitted, and it is a matter of concern as to when it is going to be published.

You see, Sir, there are persons who are indebted to Trade Confirmers, who have been reneging on their obligations by raising a number of claims that have some impact upon the Receiver's ability to call in funds to liquidate debts and possibly repay the depositors. One debtor, someone in the employ of the Foreign Service of this country, has even claimed diplomatic immunity for not paying his debt. To the best of my knowledge, diplomatic immunity is only available to you in a suit by a citizen of the country to which you are accredited. It certainly cannot be available to you so far as your obligations in Barbados are concerned. Nonetheless I say, and I say with assurance and authority, that that defence has been offered by someone to avoid his lawful obligations to that company.

There are others who are refusing to pay, although they gave evidence at the Commission of Inquiry of their willingness and ability to pay, because of some technicality with respect to the Rate of Interest Act, and I have made representations in writing to the Ministry of Finance, and spoken to two Ministers on this, that there is really need for some form of validating legislation to secure what may be seen as a technical oversight on the part of the regulatory authority not to bring Trade Confirmers under the Rate of Interest (Exemption) Act, from the specifics of that Act.

I think it would be a very hard case for people in this country to lose their chances of being compensated because of a technicality on the part of a regulatory body of Government, and I should like to repeat publicly the need for Government to amend the Rate of Interest Act in such a fashion as to remove that spurious defence that some people are raising. I think it is a matter of unjust enrichment where a man could borrow a million dollars, or sums of that order, and refuse to pay it back because he says the company did not have the right to charge the rate of interest that they agreed in the documentation to charge.

Sir, under Head 25, Ministry of Agriculture, Food and Fisheries, particularly the Head relating to Fisheries, I had forgotten to say it at the time, and I will say it now, that over the past year we have, as a country, suffered the trauma of observing persons going adrift and sympathising with their families when they are lost and rejoicing with them when the people are found, but I am wondering if we do not need now to perhaps police this area a little bit more, in that we cannot take a car on the road without a driver's licence, we cannot take a plane up in the air without a pilot's licence, and similarly we should not take boats to sea unless we have a navigational licence, and that should be a requirement of all those who go to sea. Because it imposes an obligation on the Treasury and the Coast Guard to recover them and bring them back in, money is spent doing search and rescue, and I think really that the laissez-faire attitude in the fishing industry of anyone being able to buy a boat and put someone out to skipper it and take it out without ensuring that they have the requisite skills is a time long gone. I think we must protect people from themselves in this area, and I will commend the Ministry for any steps they can take to regulate this industry a bit more closely.

Sir, I turn to Head 28 — Ministry of Legal Affairs. A considerable sum was spent on General Administration, and in particular I want to focus on two aspects of the Ministry of Legal Affairs. That is the Ministry responsible for drafting and putting before Parliament legislation, some of which is instigated by the Departments of Government and some of which is the peculiar responsibility of the Ministry of Legal Affairs.

The responsibility for legislation, Sir, relating to drugs, the forfeiture of assets of those involved in the drug trade, is one that falls clearly on the shoulders of the Ministry of Legal Affairs. Just over a year ago, in January of 1988, a sub-committee of the Barbados Bar Association submitted a report to the Ministry of Legal Affairs on draft forfeiture legislation. The Bill was sent to the Bar around July or August of 1987, we took a little while to deliberate on the matter, but

submitted our report in January of 1988 with recommendations for the improvement of that Bill. This is April 1989 and the legislation has not yet seen the light of day, and the recent reports indicate that drug usage and drug related crimes are a matter of increasing concern in this country.

By way of passing, Sir, I should like to say something for the benefit of the media in a way. I think when the media give these street values of drug hauls the numbers given seem to carry a message that there is profit in this exercise. When you talk about a drug haul of lots of millions, you say if that is really the value of it I am really going to take the risk.

2:20 p.m.

I think we could talk about quantity, but on the question of value I have a problem. I wonder if we should not play down the emphasis of what that value is. I don't know how they determine the value, I don't know how they determine what the street value is. I am not a user or a pusher, so I have no idea whether those numbers have any validity.

Mr. PRESIDENT: You may be a dealer.

SENATOR C. A. BLACKMAN: Nor am I a dealer. In fact, my nightmare is that I don't use the stuff, I don't recognise any of it, but one way people could discredit you in any way is to plant it on you, and then you are put to defend something you don't know anything about. They can put it in your bag going through an airport. I think it is a matter of concern that you get these numbers floated around as to value which sends messages in the community that crime pays, and I think that perhaps we should look at this either as the police releasing it not in terms of a street value, but in terms of whether this is the message we want to send.

The primary purpose of my comment on this Head, Sir, is that the time has long gone when the legislation should be on the Statute Book. As I am fond of saying in this Chamber, Sir, we do not have to re-invent the legislative wheel. St. Kitts and Trinidad have enacted good models of legislation in this area, and I know that other Governments are willing to give assistance to improve our legislation in this area, and it is really something we ought to see on our books as soon as possible. I don't think that we can allow it to drift on to a point where there are no sanctions against those who are convicted. And I repeat something I said on this matter a year ago and I can remember being castigated by the former Senator Tull. The necessary machinery must be put in place to enable the police to do its work, and if that means amending the laws to ensure that the police can tap telephones for the purpose of those people who deal

on the telephones and conspire and use them for that, then those laws must be put in place, because it is not only drug enforcement that has to be done; we have to put the necessary amendments to the Evidence Act to ensure that evidence can be given based on dealings that are monitored between those who are dealers and pushers.

Also, Sir, under this Ministry of Legal Affairs, I wish to raise some concerns that are those of the Bar Association. With recent times we have had the Land Registry brought into force. It is my understanding that moves are afoot to move the records of the Registration Department at Coleridge Street to somewhere in the Garrison area on to the Land Registry. This is more really to facilitate the Land Registry than to facilitate the legal profession. That may well be the way they want to go, but my concern is, is there adequate safeguards in terms of fire proof vaults and cabinets at the new location, because however bad the facilities at Coleridge Street may be, at least those vaults are fire proof vaults to the best of our knowledge, and they were built for that purpose. To go into the old Garrison Barracks where they are going to be located is something over which we have some concern, and I would like to ask the Minister to look at that in terms of its appropriateness.

Sir, I turn to Head 31 and that is Prisons. Again a matter relating to the Ministry of Legal Affairs and prisons is that just over two years ago there was a Commission of Enquiry into the death of a young man at the prison for civil debt, Michael Agard, and yet now in 1989, certainly more than 2½ years after that report has been submitted, the report has not yet been made public, and we have a concern. If you are going to go through the motions of Commissions of Enquiry where there is a lot of public concern and then the reports are not made public, people wonder really whether there is a cover up. Why go to the trouble and expense of an enquiry if at the end of the day nothing is released however much in a capsule form.

Sir, I go to the Ministry of Foreign Affairs, Head 35. We have provided an additional \$728 700 for that Head in 1988-89. The question really should have been asked a month ago when Sir James Tudor was still the Minister of Foreign Affairs, and he might be able out of the abundance of spirit which is his nature to answer the question from the resources of his knowledge, and that is, what steps are being taken to improve the staffing of the Ministry of Foreign Affairs in terms of providing the overseas Missions with the Commercial Attaches that they need and require to help push the job of representing Barbados. As Professor Reid said in a recent public lecture, our primary business of overseas Missions should be trade and tourism, and I know that the Mission in

Washington has been lacking of Commercial Attaches since the transfer back to Barbados of one of their officers just over a year ago.

I think that the primary purpose of our overseas representation really must be the promotion of Barbados' trade opportunities and its tourism related plant. The business of protocol and other areas are fine. But that should be our emphasis.

The other matters under the Head in some measure speak for themselves. I would like to say I welcome the observation, I am not sure it is a full assurance or half promise by Senator Clarke, that measures are in hand to ensure that the Senate embark on these debates in a more timely fashion and more than once a year. I would still like to commend to the Senate the full and wider ramifications of the Resolution which stands in Senator Jones' name, the debate of which is still to be concluded, so that really rather than the quarter-share promise that we have from Senator Clarke we have a more on-going analysis of these matters when they develop.

I would like to conclude as I began by saying that it is really a pleasure that we are being asked to consider this item just within 20 days of the close of the financial year. To the extent that Senator Clarke is in any way responsible, I congratulate him. I thank you.

SENATOR Miss V. P. BRATHWAITE: Mr. President, in rising to support the Appropriation Bill before us, I wish first of all to add my voice to the concerns which have been expressed earlier by Senator McClean and Senator Blackman concerning the short notice and, in this case, lack of notice with which we were asked to debate this Bill today. Sir, it also in one sense gives us cold comfort to hear Senator Clarke boasting about how soon he could present us with this Bill today, because that is precisely our grouse with it. There was absolutely no notice that we were to be prepared to debate this Bill today, in the light of that, Sir, and also in the light of the fact that we were not able to debate these figures in any detailed manner, but rather we are asked now to sanction and confirm in an *ex post facto* manner what Government has already taken unto itself to appropriate.

Mr. PRESIDENT: I understand the Bill was circulated last week.

SENATOR Miss V. P. BRATHWAITE: The question of circulation and the question of notice for the debate with respect, Sir, are two different matters.

Mr. PRESIDENT: But if they circulate the matter to you, you can't say that you are not aware of it. They

don't circulate matters as addressing an Honourable Member. You circulate a matter because it is going to come up for debate. It is a question of if you read it.

SENATOR Miss V. P. BRATHWAITE: Sir, with respect, I did not say and I hope I am not misunderstood to say that I was not aware of it. What I stated was that I was not aware that it was on the Order Paper for today. It was circulated with an Order Paper which made no mention of the Appropriation Bill.

Mr. PRESIDENT: But the Senate agreed today to debate the things on the Order Paper today, but this was circulated before, and if the Senate did not want to debate these matters, they could have objected. But there is no point in raising that after it was agreed.

SENATOR Miss V. P. BRATHWAITE: Sir, with respect I can still reserve my right to voice my concern that we had no notice. It was not on the Order Paper. Circulation is not analogous to notice for debate on a particular day.  
2.30 p.m.

To move on, I would also have expected and wished that, in the light of my first two comments, namely, we are not allowed by legislation to debate money matters, and, secondly, the short notice that we were given, lack of notice in this case, that the Minister, instead of rehashing the figures which are there for all of us to see, even at this late stage, would have given us some explanation as to the reasons why these large sums of money were necessary to be appropriated after more or less as an addendum to the Appropriation Bill for 1988/89.

Sir, there are some very large sums that concern me. I understand, of course, that the Ministry of Finance would not have been able to anticipate the large sums of \$18 million for a raise in salaries and wages but there are other matters, of course, which could probably have been addressed at an earlier stage.

Sir, I refer to Head 73, Ministry of Finance, Subhead 3 — Purchase of Equity by Government in Commercial Ventures. I am sure that other members of this Honourable Chamber would agree with me that we know absolutely nothing for the purpose of this, what is meant by commercial ventures, what ventures they were, in what amounts, or a breakdown but we are presented with a figure here of \$36 million, just a little under a quarter of the total amount of \$161 million in this Appropriation Bill.

Secondly, under Head 76, Ministry of Education and Culture, there is another large amount there of \$12 million and we are told under Item 38 of that Head that

that will be used or has been used for the Culture Centre — "Sherbourne".

Sir, my colleague and I have already alluded to the fact that this Cultural Centre has crept upon us and all unsuspecting Barbadians as a thief in the night. Even at this late stage we have not been appraised either in this Chamber.....

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I believe I have to intervene. That remark about "crept upon unsuspecting Barbadians as a thief in the night" is an improper comment to make, I submit, because a Resolution was introduced in the Other Place. A copy of it was circulated to all Senators. To suggest that something is done stealthily is totally improper.

Mr. PRESIDENT: I did not say anything because I take it that the Senator is a new member and sometimes the fulness of language can get away from people when they have to debate these matters. They use the language that is sometimes utilised in common outside but a thief in the night is not the most elegant parliamentary language to use in a Senate Chamber at any time.

SENATOR MISS V. P. BRATHWAITE: Sir, if you have ruled that the expression "a thief in the night" is out of order in this Chamber, I do apologise. However, the expression is not one which is reserved, as you have said, to the common place outside but it is an expression which all self respecting persons, even the Minister of State responsible for the Civil Service understands. However, I withdraw the comment and I will state my sentiments in a different manner.

The fact remains, despite the apparent heatedness of Senator Lewis' comments, that the public is totally unaware of the Government's necessity and objectives in building this Conference and Examination Centre. Not only that, it seems that Government itself is unsure as to the amounts by which this centre will put our public finances out.

The Estimates for 1988-1989 at Head 76, Subhead 38, we pointed there to a figure of \$1.4 million and we were told in the description to the same subhead that this provision was to commence planning and construction work on a Conference and Examination Centre at "Sherbourne", Two Mile Hill.

There was a revised estimate for that same year, 1988-89 of \$4.5 million so straight away we have gone from \$1.4 million to \$4.5 million and by the end of the year we are asked to approve another \$12 million. That, Sir, certainly, is evidence to suggest that far from the Public not knowing quite what is going on at Two Mile Hill, the Government seems, also, to be a little bit con-

fused, certainly, if not in its object, then, certainly, as far as the amount of money which will be required.

Not only that. At the stage where it remained at only an approved estimate of \$1.4 million and a revised estimate of \$4.5 million, we were told that those amounts of money were to commence planning and construction work. Now, at the stage of 1989-90 where we have a revised estimate now of \$6.5 million, after a final appropriation amount of another \$12 million, we are still commencing planning and construction work.

We are, therefore, left to wonder at which stage the Government will stop commencing planning and construction work and get on with the work itself having already appropriated these amounts unto itself. How much more would the public finances of this country have to bear? When they stop to commence planning and construction and get on with the construction and finishing of the project?

Sir, I turn also to the Ministry of Transport and Works, Head 84, under Item 23, Transport Board (New) (\$28 million). I understood from Senator Clarke's earlier comments that this amount has been seen by Government to be necessary for the purchase of new buses.

There is just one concern I would like to voice in this area and that is whether the appropriate Minister has ever given thought to the fact that there must be some use as far as spare parts are concerned to which the old units can be put.

I pass along to, for instance, Mangrove, and I see there are a lot of idle and old bus units lying there. I wonder whether we could not salvage something from those units to repair other units. I do not for one moment want to be misunderstood as saying that we do not need new buses. I understand that the Government's role in providing transport is somewhat of a welfare role and, therefore, we have to subsidize the transport and the Ministry of Transport. The question is to what extent are we making good use of the available resources?  
2:40 p.m.

Certainly, when bus units become old and a little bit less than functional, instead of rushing off to buy a new bus, we could look at using the parts from the old buses to try to repair some other ones and get them back on the road.

I want to look also, Sir, at the Ministry of Health, Head 36. My comments in this regard are simply these. Really I am not sure what these amounts here specified in items 1 through 28 are. But I wish to draw Government's attention to the fact that the nurses in this country, particularly health workers generally, at our

major health institution are complaining sorely about the working conditions under which they are expected to perform their duties. Nurses are very important to us. The health service needs them. They are very essential to the delivery of health care in this country. Nursing care must go hand in hand with the medical service that doctors deliver to our nation.

There are complaints, Sir, of severe shortages of staff, acute shortages of equipment, equipment breaking down and not being put back in proper working order, not being maintained. There are also complaints, Sir, of persons visiting the hospital and not being able to be attended to as promptly as they should or as promptly as their situation deserves when the equipment is either being used in another part of the hospital or it might be non-functioning at that particular time. I do not want it for one moment to be thought that I am getting in here to the area of sensationalism in these matters. But rather, I speak out of an abiding concern which I share with the other members of this country about the seeming danger which the health service is in at this point with relation to the services that the doctors and nurses are able to mete out given their scarce resources.

I should just like to advise the appropriate Minister, Sir, that these are matters which require his most urgent attention and that these grievances should be addressed as a matter of priority.

Sir, I should just like to close by stating again, reiterating, that we are at a severe disadvantage by virtue of our constitutional position in this country having to debate a Bill of this nature in such an overall manner and after the fact. We are, therefore, left to do more or less a salvage job and try to do the best we can in these prevailing circumstances.

Thank you.

SENATOR N. W. BOXILL: Mr. President, first I should like to quote from the Economic Report of 1988 in the Summary, that is the first page:

"In the financial sector commercial banks maintained a high level of liquidity and there was steady growth in non-bank financial intermediaries, especially the credit unions. Commercial bank deposits grew 13.6 per cent during 1988 and loans rose by 9.1 per cent. In spite of the high liquidity in the banking system, the interest rate on savings deposits and the average lending rate were raised by one percentage point to help defend the balance of payments. The offshore financial sector and the credit union movement strengthened their position during 1988."

I start off that first by saying this. Despite what you might hear the economists talk, there has been a general improvement in the finances of the country. I am therefore appealing to the Minister of Finance that the time has come when you have to speak to the Central Bank and let them make loans to poor people more acceptable and easier. These people could afford to lend out money now at 6% and still make a profit, because the banks are not taking money. They take a little deposit or so. But if you go to the bank with anything like \$100 000, Mr. President, and ask them to put it on a fixed deposit they offer you 3½%. It is better you go and put that on thing's race horse. You would make more on that than the bank is paying.

*Aside.*

SENATOR N. W. BOXILL: With Sandford Prince you get a better return than that.

Mr. PRESIDENT: Bring it to me.

SENATOR N. W. BOXILL: I beg your pardon, Sir.

Mr. PRESIDENT: Bring it to me, I will give you more.

SENATOR N. W. BOXILL: No.. So despite what you might hear, what the economists are trying to make you believe, the country has moved forward. There is no denial of the fact.

I am going to deal with this Appropriation Bill. There are a few items I wanted to talk on. I did not speak on the Annual Appropriation Bill.

*Aside.*

SENATOR N. W. BOXILL: No, I am not going into anything so. I am going to start first on Part I Current and I am dealing with the Government Information Service, Sir. I think the time has come when the Government, whichever Government it is, but this one that is running the country now, which I belong to, is going to have to tell the information services that it is about time they give people proper information.

I hear on CBC that Days Of Our Lives or some other nonsensical thing that they bring over is going from half hour to a whole hour. That time could have been spent educating the masses. For instance, a lot of people up to now do not know how to use the new highway. A lot of people do not know how to use the roundabouts on the highway. I think the time has come instead of wasting time with Days Of Our Lives and these nonsensical.....

*Aside.*

SENATOR N. W. BOXILL: Yes, I know everybody wants to see it, but it is not educational. There is nothing wrong if they want to show it, but they should show it between 10.00 and 11.00 o'clock in the night.....

*Applause.*

SENATOR N.W. BOXILL: .....when the grown-ups have nothing else to do and they want to watch it. But not showing that nonsense to children.

The joke about it is it is so nonsensical that the whole area only has about 10 people in it. That is a city with 10 people. So when this fellow falls out with the girl he is married to, he goes and marries the other girl. Then he divorces her and goes back and marries the other girl. Stupidness!

*Aside.*

SENATOR N. W. BOXILL: Watch what? You think I have nothing else to do?

*Laughter.*

SENATOR N. W. BOXILL: I live in a house. How do you mean, how I know? I do not live in a hotel. I live in a house. I have to pass through the place some time and see the foolishness they have on the screen.

*Laughter.*

*Asides.*

SENATOR N. W. BOXILL: I live in a house. Do you feel I live in a hotel that I am only upstairs? I live in an ordinary house like anybody else. I must pass through the drawing room or the little pantry or the kitchen or somewhere at some time and see the nonsense that is being shown. Whether you all are making a joke about it, I am serious. I do not think that that should be shown during the hours that it is shown. If they want to show it, show it between the hours of 10.00 and 11.00 p.m. and who wants to watch it will stay up and watch it. When the school children should be learning something, they are watching Days Of Our Lives, some kind of nonsense.

I am going down the line, Sir. I notice — and this goes for the Ministry of International Transport, I think Customs come under them — I was at the airport on Monday and a PANAM flight came in, and this is not the first time, Mr. President, that I have noticed it. This has been going on and I decided I am going to raise it again here. For every 20 white people who passed straight

through the door, they sent two to be examined. Every black person who came to the customs hall was sent to be examined. These black people were mostly Barbadians coming back to Barbados. What kind of country are we running? I do not want the.....

*Aside.*

SENATOR N. W. BOXILL: True. This is what I am saying. I belong to the Government. You cannot tell me what to do. You have now come. The point I am making is that the ship has arrived but it looks to me as though we have not come ashore yet. We are still out to sea. These mostly would be the people who are going to be bringing in the dope. But they go through your things with a fine tooth comb. These people come in with 6 or 7 grips and they go up to the officer for clearance and he says something to them — pass through. This cannot be right in our society. I have nothing against making random or spot checks. But you are looking to me that you are deliberately segregating our own people in favour of the tourists. I do not know who you think is bringing all of this thing about here. Well, do you think that it is the Bajans that are bringing in the dope and all of that kind of things? It is the tourists. I do not say that you should keep them back. If you are going to let some of them through, let some of our people pass too. Do you mean to tell me that you allow 20 people to pass through, but when now your own people come, they have to go over to be examined? It cannot be right. This is not right at all and I cannot put up with it. It has been going on too long.

2:50 p.m.

I have already mentioned about Item 23 Loans and Advances. I do not know who these Loans and Advances are to. I have said before the time has come when we have to start lending to the ordinary Barbadian a piece of change to own a piece of the rock too. When you go to the bank to borrow money, not me because I do not have any to borrow, but when the ordinary Barbadian goes to the bank to borrow, he has got to tell them who his grandfather was, and who his grandmother was, and who his great-grandmother was and which school he went to and all of that. Even foreigners come in here and go to these banks and get hundreds of thousands of dollars without any collateral and then go on about their business with it. Are we going to sit here and allow this sort of thing to happen in this country all the time? The time has come when we have to start thinking about our own.

Now under item Head 23 Ministry of Agriculture and Fisheries, there is a hiatus about here with the fish drifting over to Trinidad. The fish do not have much sense. I do not understand the fish going down to Trinidad. The main point that I am going to make about this is that the reason

why the Trinidadians are not too fussy about flying fish is not because they do not like them, because they come here and eat more flying fish than the Bajans when they can get them. They cannot do them. They do not know how to bone them and that kind of thing. I used to have a Trinidadian at me who told me that she was going to scale a flying fish and she held the flying fish by the tail so that she could skin it backwards. Normally we hold the flying fish by the head and scale up. She held it by the tail so I do not know how she could manage to get it scaled. But the point is, if we are supposed to be in this federation .....

*(Asides)*

SENATOR N. W. BOXILL: Man this is a federation. The CARICOM is a federation. Do you think it is not a federation because we do not fly the same flag? Why should the Barbadian people have to pay the Trinidadians so much money to go down there to fish and only be allowed 5 boats? Well, my view is this. This is a matter for Prime Minister to Prime Minister and not Minister to Minister. Let the 2 Prime Ministers get together and have this matter resolved, because the kinds of things I see that come out in the paper that they want us to do, pay this amount of money and then you got to carry your fishing boat and give 50% of the fish. Well, we are fishing for Trinidad.

The whole object is, in my view, that somebody wants our boats because you know when those fellows go adrift and they go down to these islands they send back the fellows minus the boats. These are things that I think the 2 Prime Ministers will have to get together on and have this thing thrashed out properly.

It is through Barbados, I can afford to make this statement, it is because of Barbados that BWIA have their landing rights in Canada and the United States. If we can facilitate them, I do not see any reason why they cannot facilitate us. They do not want the flying fish. I am not saying that you are to allow people to come into your waters and do as they like, but we are West Indians. So I think that the time has come when the 2 Prime Ministers will have to come together and talk this thing over. Do not leave it up to Minister to Minister. I do not understand that nor do I like it. I do not think that it is going to work very good.

On Item 28 Ministry of Legal Affairs —Senator Blackman was touching on a part about the Prisons. I have got it here ticked off too. You realize that it is my pet subject — the Prisons. People do not agree with me but I do not talk for people to agree with me. At my age I do not mind who agrees with me. They have got a billion people living in China and neither one knows me nor do they agree with me. So I am not worried about that. That is one-quarter of the world's population. I think the time has come when we will have to start looking at the prison again. Every prisoner who goes to prison come out weighing at least 12 or 13 pounds more than

when he went in. Food is good.

*(Asides)*

SENATOR N. W. BOXILL: Do you think it is fair — let us be realistic? Is it fair for somebody to come and knock you down? He goes up to prison because when they come before the Judge they get a little slap on the hand. Go up there and behave yourself. So he goes up there for a month and you are asked to pay taxes to feed that person in prison. I know a lot of people are going to talk a lot of nonsense about my being backward and behind times and so on. Drastic actions need drastic measures and the time has come when we have to stop. I went up to the prison, Mr. President. We have got to stop pampering the prisoners.

*(Asides)*

SENATOR N. W. BOXILL: No, I was not incarcerated. I went as a visitor. — Suppose somebody is going to say that I should have been, though.

*Laughter.*

SENATOR N. W. BOXILL: I looked at the food that the prisoners were getting. They get better food inside of the prison than when they are outside. It cannot be right. I know the sociologists and all of the kinds of "ologists" are going to come up and talk all kind of tripe, you know. They talk about rehabilitation of the prisoners until I had to ask the Chief Justice which rehabilitated prisoner he wants married to his daughter. You understand. So they want them rehabilitated. But to marry my daughter, they do not want them rehabilitated to marry their daughter. So let us be realistic in the whole approach to this thing. A man goes to prison for alimony or a man gets into a fight and uses more force than he normally should have used in vexation. That man has my sympathy. But when a man arms himself with a gun or a knife and come in at your place at 2 o'clock in the morning, you are not inviting him, you know. He is not coming in there to suck a piece of cane or open an orange with that knife. He comes to murder with malice. He comes to kill you. Why then should this fellow, if he did not succeed in killing you but maimed you for life and you became a paraplegic or whatever you might, go into prison, say, for 6 months, come out heartier and stronger, and haler than when he went in and you are still in a wheelchair. You see, I am the greatest penologist, I believe, they have got around here but nobody listens to me. I would suit the penalty to the crime. I think the time has come when we have got to stop pampering these people. If you look back, Mr. President, most of the prisoners who are in prison today are recidivists. Those are the people who went to prison before and you would give them this, and they go back in.

*(Asides)*

SENATOR N. W. BOXILL: I do not have anything against the unfortunate people. I do not want anybody to think anything because, the way how things can go, you never can tell what will befall me.

I hope it never befalls me. I always try to keep the straight and narrow path. But, as Senator Blackman said the other day, and this is what I would like to say to most of the people in here, in future, when you leave your car always have it locked. Because it is nothing wrong with some of you leaving the glass down to let in a little air and a fellow goes and slips some dope in there and then tells the police that they saw you do it, and the police come and find the dope on you. All the talk you are talking they catch you. You have been pushing dope all the time. You do not know about it. So these are things that we have to be more than careful with.

Now the prison is full right now to its fullest extent and my view is — I have been saying this before and I say it now because I have got the opportunity to say. — I do not really believe that the fellows that you catch with a spliff or whatever you call them that you should send them up there. Flog them. Give them a licking and send them home but flog them publicly.  
3:00 p.m.

Do not flog them up at Glendairy when nobody will know. Give them a public flogging and let them go on home, because if you go on putting them up there you will soon have more people in the Prison than you have in the Hospital. Right now you do have more people in the Prison than you have in the hospitals, including the Mental and the others.

There has to be a way to check this sort of thing, because it is not getting any better. Dope is overrunning not only this society, but the world. You will see there the people in Colombia offered the Government to pay their national debt in dope, so do not let us laugh at it. I might sound jovial, but this is a serious matter I am talking about, and the time has come when we have to look for drastic remedies for these drastic measures. When a fellow is selling dope he does not care who he sells it to. He is out to make a dollar.

*(Aside)*

SENATOR N. W. BOXILL: Nine out of ten times, but the man who is selling the dope generally is not the man who is really bringing it in. He is only the pusher. Well, I am not going to say what I wanted to say, but I have my own views about it and I express them in the sea where they will not be printed. I know how I feel about it and I think the time has come. You have to stop somewhere, you cannot go on pussyfooting with an issue like this, this is too serious an issue.

Most of us in here have children or grandchildren and we have to be more than careful what is going to happen with our children. Do not think that because your child might be going to a lower school, it is not happening in the higher schools, or do not think that because he is going to a higher school it is not happening in the lower schools. These pushers do not have any regard for anybody. They are out to make a dollar and they are nothing to do with the State.

I had a great example of a case why people should leave out this thing. There was a chap who used to work with me in Canada. This man was bright, he was a man who used to be requested in Canada to come back to work, and all of a sudden he gave up his job and came back here to get himself involved in dope, and when he is not in Prison he is in the Mental Hospital. This is a lost case, but the family is trying hard. We cannot sit idly by and just think that these things are going to blow away. We have to use drastic measures.

I want to say this to the Government. You cannot be always right, but you must make a decision. Everybody is not going to agree with the decision you have made, but make a decision and they will come around to it. They will say "that is the law, I am not tampering with it, because so and so is the case." But the moment you start backing off these things these people are going to become bolder and bolder all the time and eventually they will be taking over. The time has come. This is my country. I am not a Canadian, Mr. President, I do not have any other nest to lay in. I helped to build this country into what it is today and I do not intend to let Sam Couchie and the duppy come and ruin it because of their own selfish gains, because the majority of the people who come in here with these kinds of things are not even Barbadians. They come and spread their evil about here and then they go about their business to spread it somewhere else. The time has come when we have to try and stop these people.

I will say this to the lawyers. You cannot always work for a piece of change. You have to have a moral concept about things too.

*(Aside)*

SENATOR N. W. BOXILL: You see, this is the problem. They will know a case in which it appears to them that the person is guilty and it is their duty to try and get off the person, but how do you live the night after? How do you manage when you know that this man has committed a villainous crime?

*(Aside)*

SENATOR N. W. BOXILL: They know. A lawyer boasted to me he never took a case for a man that was

not guilty. A man told me that on this same Senate floor, and he did not lose them. He won them. We have to call a halt somewhere. I do not want, as I said, the less fortunate person to think that, because I can get in here and talk, that I am trying to run him down. I just want him to take stock of himself. Nobody in this Chamber came along, and most of them outside did not come along poorer than I came along. I was real poor but I have always had a strong mind, and I never got myself involved in these pranks I see people getting involved in just for the sake of the dollar, and they are no better off.

What I would like to see happen here is, when a man goes up for being a pusher and the magistrate puts a fine on him, no matter how heavy the fine, he should also be confined. I am afraid, however, and this is what is worrying me, that you will have to change the law to make it that these people have to feed themselves or something like this. People will start criticising you at first, yes, but do not let us forget that God is almighty and God said that He will not drown the world again. Some mistake must have been made. We cannot always be right, we have to make some mistakes. But we cannot always make all mistakes. A clock that has stopped carries right time at least twice in 24 hours, yet it is not working. So we cannot always be right, but we must always be strong. This is how I see it.

The time has come for us to stop messing around with these people and making them think that they are so right and we are so afraid. We are legislators. That is what the people put us in office for, to govern the country, and if you are here to govern you must govern. That is how I see it. You do not pass laws for an individual, you pass laws for the whole society. So do not talk about passing laws for the fellows up their alone, you pass laws that when I commit an offence and it is a serious offence, I should go up like anybody else. That is why I try not to commit an offence, because I would like to have Blackie pleading for me, and I know that I will go through the eddoes.

Another thing I want to touch on, Sir, is the Ministry of Transport and Works. This is my pet thing too. I am not trying to put anything on anybody. We have here Vehicle and Equipment Workshop \$120 000 in a Supplementary. I have advocated before, and I am advocating it again, that I think we will have either to close down the shop or have it reorganised. I believe the Ministry of Transport and Works has more vehicles than any other operation in this country. But we still have to rent vehicles to do work and vehicles are up there lying down. When you ask about them, they say they cannot get parts, but when these things are being sold the people who buy them can get parts. Something has to be done about this.

It is all right for us to sit in here, but we have to look at it from this point of view. All of us in here are tax payers. Therefore it is our taxes that are being utilised to keep these people, and they are not producing as much as one would expect them to produce. I think there are over 24 buses down, and if we are not careful they will get cannibalised. Then we will have to sell out the frames, and the same people who will buy the frames will be able to get the parts for them. We have to look at these things. I do not think we can go on this way all the time, because it is not helping the country.  
3:10 p.m.

This is a small country, and as I have said before and will say again, Guyana, Jamaica, Trinidad, all of them are much bigger than Barbados. Furthermore Guyana and Jamaica have bauxite, Trinidad has oil and asphalt, Barbados only has Black people and nobody wants them. The time has come when people have to understand that this is their country and therefore they will have to start giving us an honest day's work for an honest day's pay.

I remember when I went into public life in 1961 a cantoneer was getting \$13 a week, and when he got paid on the Saturday he had to go and buy at least two bottles of rum to let the foreman and the rest drink it up. Today nothing like that takes place. They are getting a lot more money and I think they should at least decide to give us a little more work. I do not expect anybody to kill themselves, but don't tell me that because the sun is hot I had to shelter under the tree.

The people in the Agricultural Department, Mr. President, don't have any trees in the ground. Do you see trees in an agricultural ground or in a cane ground? There are no trees out there, and those people work. I am not trying to run them down because you will hear "he used to run we down; he used to come and make we work." I used to make them work. I am not ashamed of it, nor am I afraid of it. But there is not one of them who would say I stopped them from getting money or that I have caused them to lose their jobs. There was even a statement that I used to take up their hoe. It was not true, Mr. President, but let me say this. If I used to pick up a workman's hoe, I as Minister had a right to look out for the Government's property, so if they left the hoe and I took it up, that was all good. If the hoe belonged to the workman and I could take it from him, don't you think I should do something else with it besides taking the hoe away from him, Sir? But you heard this kind of nonsense about how I used to come and take up the workmen's hoes. Am I so stupid to go and take up a workman's hoe and let him clamp it in a part of me? And I am not too tall at the best! He may swing at my foot and I would get hit in my head.

Sir, we can't deny the fact that the country has moved forward and it continues to move forward, but, as I said before and will repeat again, how far is too far? How far can we go? Do you know what happened with Trinidad? I remember in 1969 I was going to Venezuela — I lived in Trinidad for a good part of my life — but passing through Trinidad there was a load of material dropped on the road going to Barataria, and I told the chap who was taking me there that I would bet him when I come back the material would still be there. I came back and we deliberately passed through Barataria and the material was still there, and every time I went to Trinidad I used to go up there to see, and do you know it turned into a little mountain in the road and it is a little hill now that you have to go over.

The supervisors are the people to blame, not the workers. They dropped the material there, nobody worried to go back and look after it. So they had money, and the worst thing that could have happened to Trinidad was when the man won the 100 metre dash in Montreal and the statement was made that money is no object, and Trinidadians came to the conclusion that money was no object. I was there when Crawford won the 100 metre race. Money is no object, so the people decided that money was no object and they did not have to do anything for it, it would come.

Sir, the oil prices have gone down but the prices will come back up, much to our horror and annoyance. We don't have anything to go up other than blood pressure. The time has come when each and every one of us must pull our weight because this is our country. All of us were born here and this country belongs to us. We don't have anywhere to go. Even if somebody invades us, we still are Barbadians, and I am appealing to the masses of our society and the economists not to let us mash it up, because when we mash it up we don't have anywhere else to go. It is ours. I thank you, Sir.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, in winding up the debate on this Bill, there are a few comments I would like to make. Senator McClean made certain observations about the level of expenditure. In my presentation I was at pains to point out the state of the economy in light of the fiscal policies which were put in place during the financial year, and, as Senator McClean is well aware, a good theory is not dependent upon the realism of its assumption but rather upon its ability to simplify, explain, and predict phenomena, so too the performance of the economy in Barbados should have been in itself a sufficient answer.

There were certain specific questions which were raised. Senator McClean I believe stated that Resolutions contributed to 16 per cent of the total expenditure. My question to that is, so what?

What I would like to do, since all Members of the Senate are served with Resolutions — I assume that they read them as they get them on an on-going basis — is to seek an opportune time during measures to debate them even tangentially. There were a few of them in the Capital Estimates. First of all let me say this. I did not dwell on the Capital Estimates because in terms of financing for those, these normally form part of the gross capital formation of the country, they are normally finances from borrowing and do not have any immediate impact on our taxation policy, save to the point when you have to service the debt or repay the principal. Once you set capital works in progress and you have come to the limit of the funds provided, you cannot suddenly cut them off. You have to carry them through to completion, and more often than not in road works etcetera, you run into situations where you have cost over-runs. But there were a few that were raised and I think I should address them one by one.

Of the total of \$97 725 311 under Capital Expenditure — and I will go through them — one Resolution approved was Resolution No. 2 approved on 25th October, 1988, for a sum of \$12 million. This amount was approved under Head 76 — Ministry of Education and Culture, subhead 38, Cultural Centre, Sherbourne. The amount was to supplement the provision of \$1.4 million approved in the 1988–89 Estimates to meet construction costs of the Examination and Cultural Centre which is being constructed at Sherbourne, Two Mile Hill. I think Senator Brathwaite would be happy to hear that this was not the planning stage but actually to put construction in place. We can't have our cake and eat it too. You cannot criticise the provision of the supplementary Resolution to carry out construction and then state that more often than not you read in the approved Estimates that provisions there are for nothing more than planning.

Resolution No. 3 accounted for \$29 981 941. This was approved on 22nd November, 1988, in the Other Place. Included in this sum was a total of \$3 850 000 under Head 84 — Transport and Works, subhead 16 for highway rehabilitation which was put out under international competitive bidding. These funds were approved to enable the Ministry of Transport and Works to undertake its projected highway rehabilitation programme for the remainder of the current financial year 1988–89. A sum of \$1½ million was voted under subhead 5 — Renovation of Government Buildings. This sum was voted to continue renovation work at Parliament Buildings and Marine House. A sum of \$21 138 461 was approved as a subsidy to the Transport Board. This amount was to bring to account all the sums received by way of loans by MTW on behalf of

the Transport Board which were regularised in Parliament by Resolution No. 95/1985.  
3:20 p.m.

Resolution No. 5 — this was for a sum of \$7 047 000 and this was approved on December 13, 1988. This sum was approved as a subsidy to the Transport Board. It was allocated for the purchase of buses and spare parts under the loan agreement between the Government of Barbados and the Crown Agents. Fifty Mercedes Benz omnibuses and spare parts will be bought from Mercedes Benz of Brazil during the fiscal year.

Resolution No. 8 — and this is one that drew enquiries from Senators McClean and Brathwaite — 1988 was for a sum of \$38 613 909 and this was approved on December 20, 1988. In this Resolution a sum of \$36 million was approved under Head 73, Ministry of Finance, Subhead 3 for the purchase of equity by Government in commercial ventures.

This amount is to enable the Government to honour the outstanding obligation of \$40 million of Caribbean Airways with the Barbados National Bank, Senator McClean. The sum of \$2 300 000 was also approved under Subhead 10 Loans and Advances and Loans to Agencies. This sum was to enable Government to provide an additional sum of \$1 million in equity to CBC for 1988/89 to enable the corporation to meet its financial obligations for the remainder of the financial year. Half a million dollars was paid over to the corporation at the end of 1988 and the remaining half a million dollars will be paid over during March of 1989.

Resolution No. 12 for a sum of \$5 654 322 was approved on January 31, 1989. This amount was approved under Head 84, Ministry of Transport and Works, Subhead 6, Airport to West Coast Highway. These funds were approved to meet expenses related to the construction of the Airport to West Coast Highway. If we did a rough tally, this would bring you pretty close to the \$97 million in the capital expenditures for the period.

I believe during the Appropriation Bill when we touched upon the loan from Japan, I was at pains to point out then that as we began a very active management of the public debt and in order to hedge against foreign exchange the Japanese loan was kept in yen so what we were actually paying the difference between the interest we were only receiving 4% and what we were actually paying on the loan of 5% or 6% could be likened to an insurance fee or an arbitrary fee in order to hedge against foreign exchange fluctuation and I am sure that Senator McClean would understand the advantage of being in this position when it is considered that the loans taken down in 1985 and 1986 have been depreciated to

almost 75%, and 100% in some cases because there was no hedge out there so we still had to honour the full amount in terms of the cost of the Barbados dollar.

With those few comments I would like to move that the Bill be read a second time.

*The question that the Bill being a Money Bill be not committed and be read a second and third time and passed were put to the Senate and agreed to.*

*Order No. 2 was called — Nurses and Midwives (Registration) (Amendment) Bill, 1989.*

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the Nurses and Midwives Registration Bill has come before us in order to give legal authority for the assignment of a secretary to work on behalf of the Nursing Council.

Under the present legislation, provision is made under the Nurses and Midwives Rules for a General Nursing Council and there is a clause under the rules which provides authority for the council to appoint one of its members, either a nurse or a midwife, to serve as secretary of the council.

There have been several problems resulting from this arrangement because there has been no continuity in service and very little communication between the General Nursing Council and the Ministry proper. The provision in this Bill, therefore, seeks to provide for appointment of a public officer to carry out the duties of secretary to the council and the *modus operandi* for this is to amend the Bill as well as the Nurses and Midwives Rules.

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

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

*On motion of SENATOR THE HON. L. V. H. LEWIS, Mr. PRESIDENT left the Chair and the Senate went into a Committee on the Bill, SENATOR M. deL. JORDAN in the Chair.*

*Clause 1 was called and passed.*

*Clause 2 was called.*

SENATOR Mrs. V. C. FRASER: Mr. President, in supporting this Bill, I should like to say that I am very pleased that the Government has started back its retraining programme for midwives and I am also happy to see

that the General Nursing Council will now have a paid officer to do its secretarial work because I know for some time nurses have been experiencing difficulty with the shifting from secretary to secretary.

People seem not to be aware that when people are voluntary it can always pose a problem. They have been shifting from secretary to secretary and the Nursing Council has to deal with the exams for nurses and midwives, registrations and other very important matters. I have always felt, and the nurses have always been discussing this matter as they also felt that they should have a person of this calibre to deal with their work.  
3.30 p.m.

I am happy to see that Government has seen this as well and that they are now going to have this type of person who will be able to pay continuous attention. There will be continuity in the person you have and continuity of the work that is being done. There will be no loopholes and things of this sort.

I also want to say that somebody seems to have lost sight of the fact that midwives are very important people and play a very important role in the health team. I thought it was very shortsighted at the time when they stopped training midwives.

Mr. CHAIRMAN: Senator McClean, on a point of order, I presume.

SENATOR A. W. A. McCLEAN: Yes, Sir, I was trying to make connection with Senator Fraser's speech and the Clause of the Bill. It sounds very much like a Second Reading speech.

Mr. CHAIRMAN: Alright. That is quite correct. Okay.

SENATOR MRS. V. C. FRASER: I thought we were dealing with the Nurses and Midwives Act. Join the two together.

*Aside.*

SENATOR MRS. V. C. FRASER: However, I am happy to see that we have started training and re-training midwives and recognize the role that the midwife has to play in the health team. We also recognise that the midwife has to be there even if the doctor is not there. Her significance cannot be underscored and the fact that we have retrained these people.....

Mr. CHAIRMAN: Senator Fraser, it is not a Second Reading. It is because of that that we draw your attention to this.

SENATOR MRS. V. C. FRASER: Alright. Thank you very much, Sir.

Let me just close by saying I congratulate the Government for taking this action. That is as far as I will go. I support the Clause wholeheartedly.

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

*Clause 3 was called and passed.*

*On the motion of SENATOR THE HON. L. V. H. LEWIS, the Senate was resumed. Mr. CHAIRMAN reported the passing of one Bill in Committee and Mr. PRESIDENT resumed the Chair and reported accordingly.*

*On the separate motions of SENATOR THE HON. L. V. H. LEWIS the Bill was read a third time and passed.*

*Order No. 3 was called - To move the Second Reading of a Bill to amend certain enactments relating to the payment of pensions and gratuities and other allowances.*

Mr. PRESIDENT: Order No. 3.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, this Bill before us seeks to amend various enactments relating to provision in respect of pensions.

In the Bill, there is provision for payment of pensions to non-teaching staff of secondary schools and tertiary institutions whose members of staff would have, since the 1st June, 1983, become disentitled to pension in respect of that service. I repeat that, whereas it is possible in the Public Service generally to continue to receive pensions based on length of service, in the case of persons affected by the Education Act of 1983, they were no longer entitled to accretions for pension after 1st June, 1983.

This Bill also seeks to cater to payment of pensions generally during periods of bankruptcy and imprisonment. It provides for grant of a gratuity to officers or employees in respect of service in excess of 5 years, up to 10 years. At the present time, service in excess of 10 years would qualify for pension.

But there was a loophole which affected persons who served less than ten years and more than 5 years, and the Bill seeks to provide a gratuity for those persons.

In addition, the Bill further ensures that there is a reversion to the former basis for computation of pensions and gratuities.

Before the Miscellaneous Provisions Act of 1985, pensions were calculated on the basis of completed months of service, up to 400 months of service for a full pension. By the Act of 1985, this was altered and pension was computed on the basis of yearly service for a period of 40 years in respect of maximum service, maximum entitlement for a pension. So you could see the differential between 33 1/3 years and 40 years.

Now in order to remove that disadvantage, it is proposed that all pensions will continue to be computed on the basis of 33 1/3 years.

When the Education Act came into force on the 1st June, 1983, the non-teaching staff of all secondary schools, except the Lodge School, became employees of the Boards of Management. But no provision was made for personnel employed by the new Boards to be entitled to a pension. This meant that pensions and gratuities have since then been computed only on the basis of service up to the 31st May, 1983. There are some 17 persons who have retired since that date, 31st May, 1983, who have been in receipt of pension based only on service up to that date. The effect of this Bill, when passed, will be to allow them to receive pension also in respect of the service beyond that date.

This amendment, we are advised, will benefit some 476 employees at the 21 secondary schools as well as at the Samuel Jackman Prescod Polytechnic and at Erdiston College.

In relation to the grant of gratuity after five years service, as the law now stands, if an officer retires before the age of 55 and he has completed 10 years of service, he is entitled to a pension and gratuity based on that service when he reaches age 55. But if his service is less than 10 years, he receives nothing. He is entitled to nothing.

The purpose of this Bill will be to provide that, if he had served in excess of 5 years, up to 10 years, he will be entitled to a gratuity in respect of such service.  
3:40 p.m.

In the case of persons who are affected by the bankruptcy and imprisonment aspects, it is customary for persons to lose pensions during periods of bankruptcy or imprisonment. It is felt that this is a double punishment which is placed on such persons. The unions made valuable submissions in this regard and it is considered that, when a person is discharged after a period of incarceration, the Governor-General should be invited to direct that the pension be restored. What we are seeking to do is to ensure that the imprisoned person's family continue to receive benefits of his pension while he is incarcerated.

In the case of those persons, it is only restored with retrospective effect. So he does get a lump sum. But in the 2 years or so that he is in prison the family would have been suffering. There are consequences. In addition, if a person is in bankruptcy the pension ceases until such time as he comes out of bankruptcy and the provision of this Bill — it is in the Schedule to the Bill — is to allow a bankrupt to continue to receive pension at a time when he needs it most.

Mr. PRESIDENT: Even if he won't pay the people for the debt.

*Laughter.*

SENATOR THE HON. L. V. H. LEWIS: It might help to feed his children, Sir.

Mr. PRESIDENT: You do not know who he starved out.

SENATOR THE HON. L. V. H. LEWIS: .....who would normally be starved out during that period?

*Asides.*

SENATOR THE HON. L. V. H. LEWIS: Look to the Pensions Act Cap. 25. You will have to see it there. I have already mentioned the change in the computation of pension, Mr. President, and those are the provisions which we are seeking to amend in order to provide for benefits in respect of Public Officers who have retired.

Mr. President, I think that I have to mention in passing that the Bill as originally circulated was amended in the Other Place and the Amendments have been circulated today in respect of the Pensions Act, Cap. 25, the Public Employees Pensions Act, the Teachers Secondary Schools Pensions Act, and the Statutory Boards Pensions Act, Sir.

I believe with those Amendments, Sir, I would like to move that the Bill be now read a second time.

Mr. PRESIDENT: The question is that this Bill be now read a second time.

SENATOR C. A. BLACKMAN: Mr. President, the Bill is really one that lends itself for support. The provisions that Senator Lewis referred to in relation to bankruptcy and/or imprisonment were not immediately apparent when I read the Bill when I received it. The amendments that have been circulated did not quite help the situation because I have not been able to dovetail them into the substantive Bill and its ambit. Be that as it may, Sir, I would like to refer to the general

pension situation in the Island and ask Government to consider something that I think was mooted about 15 years ago, that we look at a pension provision that allows for some mobility between the Public Service and the private sector without any loss of pension benefits. I think it was mooted some while ago that this was the intention, that there could be movement between public and private sector without loss of pension benefits. In the circumstances where we have most of the pensions today coming from the National Insurance Fund for incomes up to \$2600 a month, and I agree with Senator Goddard in an earlier contribution that perhaps that ceiling ought to be looked at although it may have an adverse impact on one's take-home pay in terms of the level of contribution which will increase, I think in terms of the National Pension Plan, it might be something for Government to work towards so that there is harmonization between the benefits in the public sector and the private sector.

This legislation, Sir, is long overdue in that, in the absence of clear pension benefits, it proved difficult to recruit and attract competent and capable people to the schools under the Education Act and the Schools Board Management because there was uncertainty as to where their pension benefits rest. I know there was some equivocation in 1983 as to really where they stood. So I think that this is overdue. It is something that is welcome and I hope that the circumstances which gave rise to the uncertainty would not happen again. When you bring new things and new concepts of doing business, on stream one should be able to think through the whole process and know what pension benefits you are going to offer those whom you are going to recruit.

I think that there are too many cases of legislation being put onto the books without full consideration of the ramifications for those who are going to be engaged to work in the Public Service or quasi-Public Service and where their benefits stand.

I think the provisions in relation to the benefits for those who come under temporary incapacity by way of imprisonment or bankruptcy are welcome. I am not sure from my brief scrutiny of the legislation if the receipt of the spouse or other member of family of the pensioner is an adequate discharge to the Accountant General. The Minister may want to look at that legislatively on the part of the pensioner from the prison or wherever. In the case of a bankrupt, it should be the trustee — in — bankruptcy because the bankrupt loses his capacity to give a receipt. So I think that might need looking at. All and all, Sir, I think it is a piece of legislation with which we can give full support.

SENATOR N. W. BOXILL: Mr. President, Sir, when Senator Blackman got up to speak, I was of the

opinion that he was going to raise this issue that I am going to raise. I have good reasons for raising it. I thought he was going to say this. What I would like them to do in the Pensions Act is to look at it especially not only for teachers, though I am speaking of this because I have seen this happen with a teacher who went at a supermarket which I go to regularly and she is on pension now. I am thinking, Sir, that pensioners — those people who contributed years ago like teachers and so on and all those other people — I feel that their pension should move up in relationship with the present state of things. This lady who probably gave of her best in the days when people really used to teach went to this supermarket and she had I think 3 or 4 items. I remember she had, I think, 3 eggs, a little piece of potato that she took out of the thing and about 2 onions, and then I think she had a piece of meat. When she got before the cash register to check in the thing, she had to put back or do without something, either a potato or piece of meat or something so.

3:50 p.m.

It means that these people are really suffering. There are no maybes about it. I thought when Senator Blackman got up to speak he was going to raise it. I still feel that the time has come when we have to do something for our people. These people contributed to this society, these teachers in particular, the old time teachers who used to teach for the pleasure of teaching without getting anything. How they raised families I do not know, but when they go now to the supermarket, with the cost of living as it is, they are barely existing.

A teacher is not the type of person, Mr. President, you will see walking about with a patch in his pants or a torn up dress. These are people who still have their pride. These are people who do not wish to be seen at the pipe with a bucket catching water. There is nothing wrong with it, but the point is that we have reached a stage in our society, since we are providing all this food and these kinds of facilities for people up at the Prison, where, since these people contributed to this society, I do not see why the society now cannot in turn give them something for their long service.

I am therefore appealing to the Minister — we will have to make a lot of bites at this thing, because I do not want to turn back this now, as somebody will hit me in my mouth with a rock for saying they are not to get their pension — to let us look at it. The time has come when you have to do something for these people. The police and the teachers and those Government Servants who worked so diligently and so hard to bring this society up to where it is are getting next kin to nothing. Do you think when a person is getting \$100 as pension ....?

Mr. PRESIDENT: You will have to do it for all pensioners, not by name. There has to be a principle.

SENATOR N. W. BOXILL: Yes, I cannot sort out pensions, because there are people drawing pensions.

Mr. PRESIDENT: No, it is a public pension you are talking about.

SENATOR N. W. BOXILL: I know it is a public pension, Mr. President, but what I am saying is, there are people drawing non-contributory pensions who really did not make any contribution to this society.

Mr. PRESIDENT: All draw the same amount. They do not vary.

SENATOR N. W. BOXILL: All right. But the point I am making is that the people like the teachers and the police and the people who built this society into what it is .....

Mr. PRESIDENT ....draw different amounts, so you will have to index them to be able to know what you are going to give them.

SENATOR N. W. BOXILL: Mr. President, I am not looking at the mechanics of it, I am dealing with ....

Mr. PRESIDENT: You have to look at the mechanics of it. If you do not look at the mechanics of it, then you will not know what you are paying out. You have thousands of people like that.

SENATOR N. W. BOXILL: All right, if you have to index it, index it. That is all I am saying. I do not mind what you do, if you have to do it, do it. These people have contributed to this society.

Mr. PRESIDENT: All of them did not join the Service on the same day. All of them did not retire the same day. All of them are not the same age.

SENATOR N. W. BOXILL: All of them have to buy at the supermarket at the same price.

Mr. PRESIDENT: Oh, no, all of them do not have to buy at the supermarket at the same price either.

SENATOR N. W. BOXILL: Even if they go to 'what next', Mr. President, the price is the same.

Mr. PRESIDENT: To be fair to them you have to index them. If not, you will be doing madness.

SENATOR N. W. BOXILL: All right, Mr. President, you say index them, well, index them. All I am saying

is that I expect that the people who were getting next kin to nothing say 20 years ago or 15 years ago, who are still alive, there are not many of them...

Mr. PRESIDENT: All of us were in that same story, getting next kin to nothing.

SENATOR N. W. BOXILL: You get yours too, Sir.

Mr. PRESIDENT: All of us.

SENATOR N. W. BOXILL: I will get mine. The time has come when we cannot go on with this sort of behaviour when these people go into retirement. I mentioned a particular case, but this lady was there and had to put back one of four items. I will tell you of another incident that happened down at Senator Goddard's place, where Mr. Goddard was so upset about the whole thing he did not even let them take down the things, he said they should be charged and let them go along with them. Why should these people contribute to this society and now the people who did not make any big contribution — because I see bankrupts can go in there now, a fellow who has gone to prison will still get his pension — why should the people who did not go to prison not get something too? That is all I am saying, Sir.

I hope the Honourable Minister has listened to me very carefully and I hope he does not just say he will take note and then does not take note, because I will be coming back on it.

I thank you, Sir.

SENATOR Mrs. V. C. FRASER: Mr. President, I should like to endorse a number of the remarks made by Senator Boxill. You mentioned indexing, and I agree with that. My concern is the people who are working for small pensions, especially those who left before the National Insurance Scheme started, and also those persons who have left now the National Insurance Scheme is going on. They have to wait some five years for the National Insurance pension.

I would hope that this can be looked at and see what the feasibility would be of giving these people their pensions as soon as they retire. People are living very long these days and on the small pension alone, with the present cost of various utilities — because I think this is what affects them a lot — some of them cannot eke out a proper existence as far as food is concerned, after they have paid their utilities, and most of these utilities are being paid on a monthly basis. By the time they take out for the utilities, and their pension is \$350 a month, you know that they hardly have anything for food.

So I would like to see the National Insurance pension, and I reiterate, paid not five years after you retire, but as soon as people retire. I hope that can be looked at, Sir.

Thank you very much.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, Senator Boxill is not in his place, but I should like to assure him that the whole question of indexing is nothing new and has been examined on various occasions and found to be such a costly exercise that the matter was not pursued. In any case, the Unions keep raising it and sooner or later a firm, definitive statement will be given in terms of this indexing of pensions. As a means of making up for shortfalls, Government has tended, certainly in the last two years, to provide for a minimum pension and also gave a cost of living increase on the last occasion, so that Government is mindful that pensions tend to be worth less and less as people live longer and longer.

I believe that I have drawn to Senator Blackman's attention the sections which relate to bankruptcy and imprisonment, in the case of the Casual Employees Pensions Act, the deletion of section 15, in the case of the Pensions Act, the deletion of sections 16 and 17, in the case of the Public Employees Pensions Act, the deletion of sections 14 and 15.

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

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

*On the motion of SENATOR THE HON. L. V. H. LEWIS, Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, SENATOR M. deL. JORDAN in the Chair.*  
4.00 p.m.

*Clauses 1, 2 and 3 were called and passed.*

*The Schedule was called.*

SENATOR THE HON. L. V. H. LEWIS: Mr. Chairman, I beg to move that the Schedule as amended, stand part.

SENATOR C. A. BLACKMAN: Mr. Chairman, I just wish to state that, having regard to the explanation given by Senator Lewis so far as the intent where money is paid to the trustee in bankruptcy of a pensioner, I would like the matter checked to ensure that the receipt by the trustee is not for the benefit of meeting the debt of the bankrupt but really for the benefit of the family

of the bankrupt pensioner. I have not been able to satisfy myself that the provisions of the Bankruptcy Act are as clear on the point as I would like to be assured, and perhaps the Minister could look into the matter and check it and if necessary bring a further amendment to give effect to what is the intention.

*The question that the Schedule stand part, was put and resolved in the affirmative without division.*

*On motion of SENATOR THE HON. L. V. H. LEWIS, Mr. CHAIRMAN reported the passing of one Bill in Committee and Mr. PRESIDENT resumed the Chair and reported accordingly.*

*On separate motions of SENATOR THE HON. L. V. H. LEWIS, the Bill was read a third time and passed.*

SENATOR THE HON. L. V. H. LEWIS: Mr. President, that concludes Public Business for today. I believe there is a Private Member's matter.

#### PRIVATE MEMBERS' BUSINESS

SENATOR C. A. BLACKMAN: Mr. President, I wish to give notice of a Resolution which reads as follows:

"WHEREAS it is considered desirable that Members of both Houses of Parliament should be more involved in the initiation, preparation, monitoring, examining and scrutinising of legislation including delegated legislation, in the monitoring of the implementation of Resolutions and decisions of Parliament, and in the monitoring of the functions of Ministries and Government Departments;

BE IT RESOLVED that the Senate approve the appointment of Committees jointly with the House of Assembly for the purposes aforesaid to function in areas or groups of areas coincident with the Ministries and/or Departments of Government,

AND BE IT FURTHER RESOLVED that the Standing Orders of the Senate be amended to give effect thereto."

#### THE ADJOURNMENT

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move that this Senate do now adjourn until Wednesday, 3rd May, 1989, at 11 o'clock a.m.

SENATOR C. A. BLACKMAN: Mr. President, I just want to say a brief word on the motion for the

adjournment, and that is that the arrangements for this meeting of the Senate were less than adequate in that some of us received our notices either on Monday morning or in my case by going to my office on Saturday evening and finding them pushed under the door of my office. I think it is a little bit unacceptable that we should get notices in that way, and I would wish some-

thing to be done about the way and the timeliness of the notices that we are given for meetings of the Senate.

*The question that the Senate do now adjourn until Wednesday, 3rd May, 1989, at 11 o'clock a.m., was put to the Senate and agreed to, and Mr. PRESIDENT adjourned the Senate accordingly.*  
4.08 p.m.

## CONTENTS

MESSAGES FROM HIS EXCELLENCY  
THE GOVERNOR-GENERAL

Mr. PRESIDENT. .... 1286

Receipt of Message No. 3/1989 informing of the absence of His Excellency from the country during the periods 15th to 30th April, 1989 and 8th to 12th May, 1989 on private visits to the United Kingdom and Jamaica respectively and that the Chief Justice, the Hon. Sir Denys Williams will perform the duties of the Governor-General during the periods of absence aforesaid.

## PRESENTATION OF PAPERS

SENATOR THE HON. L. V. H. LEWIS ..... 1286

1. The Defence (Rate of Pay and Allowances) Regulations, 1989.
2. The Economic Report, 1988.
3. The Annual Report of the Central Bank of Barbados for the year 1988.

PERSONAL EXPLANATIONS ..... 1287

Senator the Hon. Sir. James Tudor, 1287; Mr. President, 1287.

## SUSPENSION OF STANDING ORDERS

SENATOR THE HON. L. V. H. LEWIS ..... 1287

## INTRODUCTION OF BILLS

SENATOR THE HON. L. V. H. LEWIS ..... 1287

BILL TO AMEND THE MENTAL HEALTH ACT CAP. 45

RESOLUTION TO APPROVE THE COMPULSORY ACQUISITION OF LAND AT ELLERSLIE, BLACK ROCK, ST. MICHAEL FOR THE PURPOSE OF THE EXPANSION OF ELLERSLIE SECONDARY SCHOOL

FINAL APPROPRIATION BILL, 1989

## FIRST READING OF BILLS

SENATOR THE HON. L. V. H. LEWIS ..... 1287

BILL TO AMEND THE NATIONAL INSURANCE AND SOCIAL SECURITY ACT, CAP. 47

BILL TO AMEND THE NURSES AND MIDWIVES REGISTRATION ACT, CAP. 372

BILL TO AMEND CERTAIN ENACTMENTS RELATING TO THE PAYMENT OF PENSIONS, GRATUITIES AND ALLOWANCES

## PUBLIC BUSINESS

THE NATIONAL INSURANCE AND SOCIAL SECURITY (AMENDMENT) BILL, 1989... 1287

Senator the Hon. C. D. Clarke, 1287, 1288, 1292; Senator A. W. A. McClean, 1287, 1288; Senator Hon. L. V. H. Lewis, 1288; Senator J. S. Goddard, 1291.

FINAL APPROPRIATION BILL, 1989 ..... 1292

Senator the Hon. Dr. C. D. Clarke, 1292, 1309; Senator A. W. A. McClean, 1294; Senator C. A. Blackman, 1299; Senator Miss V. P. Brathwaite, 1302; Senator the Hon. L. V. H. Lewis, 1303; Senator N. W. Boxill, 1304.

NURSES AND MIDWIVES (REGISTRATION) (AMENDMENT) BILL, 1989 ..... 1310

Senator the Hon. L. V. H. Lewis, 1310; Senator Mrs. V. C. Fraser, 1310.

BILL TO AMEND CERTAIN ENACTMENTS RELATING TO THE PAYMENT OF PENSIONS, GRATUITIES AND OTHER ALLOWANCES ..... 1311

Senator the Hon. L. V. H. Lewis, 1311, 1315; Senator C. A. Blackman, 1312; Senator N. W. Boxill, 1313; Senator Mrs. V. C. Fraser, 1314.

## PRIVATE MEMBERS' NOTICES

SENATOR C. A. BLACKMAN ..... 1315

RESOLUTION TO AMEND THE STANDING ORDERS OF THE SENATE TO PROVIDE FOR THE APPOINTMENT OF VARIOUS COMMITTEES

SUSPENSION. .... 1299

ADJOURNMENT ..... 1315

Senator the Hon. L. V. H. Lewis, 1315; Senator C. A. Blackman, 1315.

**SPEAKERS IN THIS ISSUE**

**BOXILL, Senator N. W.**  
**BLACKMAN, Senator C. A.**  
**BRATHWAITE, Senator Miss V. P.**  
**CLARKE, Senator Hon. Dr. C. D.**  
**FRASER, Senator Mrs. V. C.**  
**GODDARD, Senator J. S.**  
**LEWIS, Senator Hon. L. V. H.**  
**McCLEAN, Senator A. W. A.**  
**TUDOR, Senator Hon. Sir James**  
**WALCOTT, His Hon. Senator Sir Frank**