THE

SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1986 – 91

SENATE

Wednesday, November 21, 1990.

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, November 21, 1990, at 11.20 a.m.

PRESENT

His Honour Senator M. deL. JORDAN, (Deputy President)
Senator A. MORRISON
Senator N. W. BOXILL
Senator Mrs. V. C. FRASER, B.S.S., J.P., M.C.F.A.
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 J. S. GODDARD
Senator Dr. L. L. SHOREY
Senator the Hon. Dr. C. D. CLARKE (Minister of State in the Ministry of Finance and Economic Affairs)
Senator A. W. A. McCLEAN
Senator Miss V. P. BRATHWAITE
Senator Dr. F. W. ALLEYNE
Senator T. C. ESTWICK and
Senator Miss Y. V. WALKES.

Prayers were led by Rev. Father Errington Massiah.

MOTIONS RELATING TO THE BUSINESS OR SITTING

On motion of SENATOR THE HON. Dr. C. D. CLARKE, Standing Order 45(2) was suspended for the remainder of the sitting.

On the motion of SENATOR THE HON. Dr. C. D. CLARKE, SENATOR J. C. W. WICKHAM was appointed to act as Deputy President for the remainder of the sitting.

INTRODUCTION OF BILLS

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, I beg to give notice of the following:-

(1) Bill to amend the Barbados Community College Act.

(2) Bill to amend the Magistrates Jurisdiction and Procedure Act.

(3) Resolution to approve the compulsory acquisition of land for the improvement of Highway 2A.

(4) Resolution to approve the borrowing by Government of an additional sum of U.S. $850 000 from the Venezuelan Investment Fund for the purpose of assisting in financing the construction of 496 independent housing units of the industrial type at Husbands, St. James.

FIRST READINGS OF BILLS

On motion of SENATOR THE HON. Dr. C. D. CLARKE the following Bills were read a first time:-

(1) Bill to amend the Barbados Community College Act.

(2) Bill to amend the Magistrates Jurisdiction and Procedure Act.

PUBLIC BUSINESS

ORDER NO. 1 – RESOLUTION TO APPROVE THE BORROWING OF 42 000 000 ECUs FROM THE INDUSTRIAL CREDIT FUND OF THE CENTRAL BANK OF BARBADOS FOR LENDING TO ENTERPRISES IN THE INDUSTRIAL, AGRO-INDUSTRIAL AND TOURISM SECTORS

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, in moving the passing of this Resolution, I would like to take some time out to touch on the background of the Industrial Credit Fund. This Fund which is an industrial financing facility administered by the Central Bank of Barbados began its operations in 1983. It was originally funded by the proceeds of a World Bank Loan of U.S. $10.5 million and a contribution of $2 million from the Central Bank of Barbados. Ten million of the original World Bank provision went for on-lending while the half a million U.S. dollars was kept for technical assistance.

This Fund also receives additional resources from contributions from the Government of Barbados, profits derived from its operations, proceeds from domestic and/or foreign loans and recycling of repayments of principal and interest. The Fund was originally set up to provide funds primarily for those beneficiaries who needed medium term and long-term financing and provided a valuable instrument since commercial banks were primarily concerned with short-term lending.

The advent of this facility now allows the commercial bank to get into the medium-term and long-term financing, the type of financing best suited for the acquisition of fixed assets as opposed to the short-term arrangement generally used for things like financing of receivables and inventory. That is short-term or current assets.
11.30 a.m.

The funding life was in excess of 7 years. I think we should highlight how this fund currently operates. The financial intermediaries mostly commercial banks using ICF funds, that is the Industrial Credit Fund resources, undertake the risks for these funds. The Government does not guarantee the funds. In order to qualify for these resources, the beneficiary must satisfy the normal banking requirements as to credit worthiness in order to draw down the funds. Later in the presentation, I will touch upon some of the drawbacks and highlight some of the reasons why greater use has not been made of the facility.

In short, any funds drawn down under this arrangement do not increase what the facility at the commercial bank normally made available to the beneficiary but form part of the total accommodation which the financial intermediary gave to the beneficiary.

The conditions of the loans made by the World Bank with which we agreed stipulate that there be a limit of Bds. $3 million for any one loan, that any one loan should not represent more than 70 per cent of the cost of a new project, or that the proceeds represent no more than 80 per cent of the cost of expansion. In addition, ICF funded 80 per cent. In any event, total ICF funding must not exceed 90 per cent of the total project funds provided by the financial intermediary. Those are the terms of the agreement entered into with the World Bank when the funds were first taken down.

Another condition reached was that the rate of interest to financial intermediaries is fixed at 2 percentage points below the average prime commercial banks rate. We are at the stage now where the entire proceeds from the World Bank provision have been drawn down and we entered into negotiations with the European Investment Bank for additional funds which give rise to the Resolution before us.

Now let us take a look at the performance of what has happened over time with the resources made available for the purposes originally outlined. At the end of October 1990 the Industrial Credit Fund had approved loans totalling Bds. $34.5 million to 231 projects and of the sum of Bds. $34.5 million, $28.9 million has been disbursed through seven financial intermediaries. Perhaps we should take a look at those sectors which have benefitted. You have seen the total amount of funds disbursed and limited to seven financial intermediaries. The beneficiaries by sector are as follows:

Tourism Sector – 170 projects, receiving $17.3 million representing 50.1 per cent of the funds.

Manufacturing Sector – 21 projects, receiving $11.6 million representing 33.6 per cent.

Agro Industry – 3 projects, receiving S2.9 million representing 8.4 per cent.

Fisheries – 27 projects, receiving S0.8 million representing 2.3 per cent.

Services Sector – 8 projects, receiving S1.5 million comprising 4.4 per cent.

Mining and Quarries – 2 projects, receiving S0.4 million representing 1.2 per cent.

The arithmetic should come out to 231 projects, S34.5 million.

We now turn to an evaluation of this fund over time and how well it performed. The fund has been primarily a

passive one. Utilization of its resources depends to a great extent on the level of liquidity within the banking system. I mentioned earlier that a condition of the loan was that you were forced to lend. The funds made available to the commercial banks were made available at 2 points below the rated average giving them a spread. As a result, if the commercial banks have excess liquidity it would not be in their best interest to draw down these funds because they can earn more if they draw down funds or if they are able to attract saving deposits or fixed deposits because the spread is much greater. However, it does present a safety net in case of tight liquidity and I believe at the last session of this Chamber we were talking about Government crowding out other sectors of the economy. I was at pains to point out that there was excess liquidity and the advent of such a fund in times of tight liquidity would provide the safety valve to make funds available to the private sector.

The high cost of these funds, as I said, is a deterrent for the financial intermediaries to seek these funds as a first step but would rather not use them. Another shortcoming in terms of the fund is that if a company wants to refinance its operations it cannot have access to these funds.

We are aware that if greater use is to be made of this fund and some of the rigidities in the system removed then certain changes will have to take place. Some of these which we are looking at at this point in time are:

(1) Recognizing that prices have been increasing over time and that includes prices for fixed equipment. We need to look at the new ceiling if we should really reflect the true cost and value of the equipment.

(2) The artificial and arbitrariness of a limit of $3 million.

I think we need to introduce certain other criteria – that is the ability of the project to earn foreign exchange, provide employment, and introduce technological innovations. Beside the arbitrary limit, we should take these into consideration to determine whether it is a worthwhile project and, if so, how much money should be taken down.
11.40 a.m.

I believe that if the Central Bank assumes part of the risk – and we might want to consider this – if a beneficiary is seeking funds from the commercial bank and the limit is already imposed and he is already at the limit, all the commercial bank does is to substitute the credit or funds coming from the commercial bank. The beneficiary does not get any additional funds, and perhaps if the other criteria I mentioned earlier, that is, the introduction of technological innovation, the ability to earn foreign exchange and the generation of employment, if these are high on the list, it might be desirable to extend the limit and share the risk outside of that between the Central Bank and the commercial bank in order to derive the other benefits.

The business community quite recently has been making certain statements about Government sending mixed signals and that the concessions are not sufficient. What I would like to see, and I now throw out this challenge, is the business community, rather than speaking in these generalities, submit a detailed and specific list of the programmes and projects that they want to undertake over a period of time. Government produces a development plan, Government never knows what the business sector is planning. Therefore if we must reduce any sort of conflict between Government and the private sector going into the market at the same time for funds, it would help both parties if we had to field through an agency such as the Chamber of Commerce or the Manufacturers' Association indicating the plans of business over time.

Secondly, I would invite the private sector to indicate in specific terms what concessions they need from Government to bring these programmes and projects to reality.

Thirdly, I would like the private sector to indicate how long it will take to implement the programmes and projects once the concessions are granted.

Finally, I would like the private sector to tell us how much foreign exchange they will use up in implementing the projects and programmes. Once they get on stream, I would like them to tell us how much foreign exchange they think they will earn, and how many jobs they think they will create.

Mr. Deputy President, with those comments I move that this Resolution do now pass.

SENATOR A. W. A. McCLEAN: Mr. Deputy President, this particular Resolution deals with a matter which presumably was intended to be of some considerable benefit to industry in Barbados. As we were told by Senator Clarke the facility now allows commercial banks to get into the business of medium and long term lending to industry.

I want to suggest that such an understanding of the significance of this particular scheme is entirely erroneous. The reason why it is erroneous is very much related to some of the reasons indicated by Senator Clarke for the low level of activity within the Fund. The Fund, basically, is nothing more than a rediscounting facility on a non-penal basis to commercial banks, that is, commercial banks who on the basis of their own criteria and judgment, would have made loans to the manufacturing sector, tourism sector or any other given area of industry, if in the particular characteristics of the project for which they made the loan, should meet the requirements of this Fund, that particular loan instrument would qualify for rediscounting at 2% below the weighted average prime rate for the commercial banks.

First of all, in terms of significance to the commercial banks is the question of the cost of the funds they are using for lending. Two percent below the weighted average prime rate would generally be higher than what commercial banks would target as an acceptable average cost of fund, or indeed the upper end of the cost of funds that they feel they can live with. In other words, very few people would be able to get that type of interest for any significant period of time from a commercial bank if they deposited money with commercial banks. So the commercial banks therefore will have no abiding interest in getting access to funds on such terms. It means, therefore, that from the point of view of cost of funds the project holds little or no interest for commercial banks and would only become of interest to them under conditions of fairly extreme conditions of liquidity not only in a particular commercial bank but throughout the entire commercial banking system.

If a single commercial bank is short of funds on a particular day, what it does is to look to other commercial banks first. They try to borrow among themselves. So if the overall system is not liquid, there will be a fund somewhere where one commercial bank can accommodate another one overnight at a rate significantly below the rate indicated here. It is only when such accommodation is not possible within the overall banking system, and now the banks have to turn to the Central Bank for borrowing. They will have to contemplate whether they have instruments that can be rediscounted in accordance with this scheme, whether they will use this scheme or whether they will borrow in the ordinary way from the Central Bank. At the moment the rate at which the Central Bank discounts ordinary instruments, or lend to commercial banks, is somewhat higher than this.

At the same time, entering into this scheme suggests that the commercial banks will take a long term view. You will enter into an arrangement for a long term at this 2% below weighted average prime, and if the commercial banks perceive that the liquidity situation is temporary – and invariably it will be temporary, because they will so regulate their affairs to come out of any extremely tight liquidity situation – they would still perhaps prefer to borrow overnight on one or two occasions from the Central Bank on what is essentially a kind of penal rate than to go for this rate which is not so far below that – at the moment it is a fair margin, but very often in the past it has not been such a wide margin – to enter into a longer arrangement.
11.50 a.m.

So that, basically for the most part the commercial banks that ought to participate in this programme are doing it. You can rest assured, for public relations reasons: "Central Bank has a scheme and they can't say that we ignore it, so we are participating." That is basically it; so it is a matter of tokenism, really. And therefore, this raises the question as to where efforts such as this in terms of the funds garnished from the World Bank and now the particular proposal before us where those funds should be directed. I think that one could easily make out a case that it would be entirely more appropriate for those funds to be placed in an institution such as the Development Bank which will engage in lending for similar types of reasons. To leave it with the Central Bank is to create a situation which is tantamount to a token exercise as far as the involvement of the commercial banks are concerned. If one should introduce a proposal that the Government Central Bank should engage in some type of resharing this would make a little difference to the commercial banks dependent on how much risks the Central Bank would be willing to take on. But I wouldn't want to advise the Central Bank to go that particular route. If a government agency wants to take on risks in relation to these projects, again, I think the appropriate institution would be the Development Bank and not the Central Bank.That brings me to the secondary level of reason why this particular project here will in no way influence the behaviour of the commercial banks in terms of the way in which they proceed in determining whether a particular proposal is bankable or not, because at the end of the day the risks are at their doorstep; they have to pay back the money to the Central Bank; they can't default on it and have to pay them interest 2% below the weighted average of the prime rate. Therefore they are not in any way going to compromise their own standards, modify their criteria in such circumstances, because they fully recognize that at the end of the day, it is just like any other loan made by them and they have to evaluate it for credit worthiness. So, this would in no way incline them to lend longer in any more significant degree than they have been doing in the past – which is not to a very high degree.

The other question is in terms of making an effort to influence the allocation of funds within the commercial banks. The funds we are talking about here are essentially trivial in relation to the scale of lending by commercial banks – talking about $28 million disbursed. We haven't been told how much of it is still outstanding but it seems as though there is a disbursement of $4 million since 1983 on an average and presumably there is a flow back so $28 million would not be outstanding rather less than that. When you are talking about loans within the banking system we are talking about upwards of half billion dollars that the commercial banks are capable of lending. So, this is of no particular significance to the commercial banks. For those types of reasons therefore, it may be better to think of bridges that we can borrow funds to assist some financial institution to lend to industry in Barbados on a long term basis. It may be better to channel those funds through the Development Bank which is already established for that purpose. It is perhaps fortunate in our present circumstances that the funds involved are trivial in terms of the overall business level of credit that is generated within our banking system, because if this were not so, it could create another kind of problem at this time for our Central Bank, because I know that in relation to the World Bank loans and so on that those are made available on a reimbursable basis.

Usually, the Central Bank would have to go and enter into the agreement with the commercial bank, advance the funds to the commercial bank and indicate to the World Bank what they have done and get reimbursed; and there is some kind of time lag involved there. I don't know if the funds that we are now asked to approve a resolution in relation to will operate on the same basis or whether there will be predisbursements. But to assume that they operate on a similar drawdown, after-the-fact basis, the Central Bank will be required to inject funds into the system up front first and those will have a fairly immediate effect on the foreign reserves position, which effect would then be negative when they get back their funds from the World Bank or the European Investment Bank. Now, the point behind that is that the Central Bank is right now in no position to endure that temporary rundown in its foreign asset position because in the month of August this year, as indeed happened in August last year, the Central Bank entered a situation where its net available foreign assets became negative. That by interpretation means that the Central Bank – all of its available foreign assets, will be explained in terms of short term borrowings from other financial institutions and indeed it would have had some measure of short term borrowing over and above what assets they have here at the moment that they can use. In seeing this, I should instance my authority and its economic and financial statistics for October 1990 so that those who are minded to contradict what I say without adducing evidence will be aware that they are contradicting the evidence supplied by the Central Bank. In that document on page 65, under Table H1 dealing with the International Reserves, we see there where the Central Bank had at the end of August $210.1 million stated here as its foreign assets. Now that $210.2 million includes $140 million dollars...

SENATOR THE HON. Dr. C. D. CLARKE: A point of order, Sir. The debate is not a debate about the Central Bank of Barbados. It is about the Industrial Credit Fund and it is only in a very tangential way does it touch upon the Central Bank. This debate about the Central Bank and its reserves was already engaged in this very Chamber a week ago and I think it is not really relevant to the motion before us.

Mr. DEPUTY PRESIDENT: Thank you. Senator McClean.

SENATOR A. W. A. McCLEAN: Yes, Mr. Deputy President, I indicated that the figure $210.2 million includes $140 million which is a claim that the Central Bank has against the Caricom Multilateral Clearing Facility. If you deduct that you would be left with about $70.2 million and the Table goes on to indicate that you have to adjust that figure by the adjusted foreign liabilities of the Central Bank which are stated here for the month of August at $72.1 million which is a larger sum than the foreign assets net of the CMCF bad debt, which means that by the end of August the Central Bank had negative...

SENATOR Dr. F. W. ALLEYNE: Mr. Deputy President, I call upon Senator McClean to withdraw that remark upon the CMCF bad debt. Nowhere in the accounts of the Central Bank of Barbados will you find the CMCF debt referred to as a bad debt. It is my certain knowledge as a Director of the Bank that only this year the Governor of the Bank, Dr. King travelled to a meeting and negotiations took place for Guyana to start to repay its debt. I call upon Senator McClean to withdraw that remark.

Mr. DEPUTY PRESIDENT: Thank you Senator Alleyne. Senator McClean.

SENATOR A. W. A. McCLEAN: Yes, Mr. Chairman, if you deduct that sum – the CMCF bad debt of $140 million. Accountants don't understand what a bad debt is – $140 million.

SENATOR Dr. F. W. ALLEYNE: Mr. Deputy President.

Mr. DEPUTY PRESIDENT: We cannot have both of you on your feet at the same time.

SENATOR Dr. F. W. ALLEYNE: I rise on a point of order. I am through you, Mr. Deputy President, calling on Senator McClean to withdraw that remark about the CMCF as a bad debt...
12.00 noon.

It is not a statement of fact about the Central Bank of Barbados.

Mr. DEPUTY PRESIDENT: Thank you, Senator Alleyne.

SENATOR A. W. A. McCLEAN: To continue, Mr. Deputy President, that means that the net available foreign asset position of the Central Bank went into the red. It became negative at the end of August. That is the latest information available in the October 1990 Report in terms of that particular table.

There is another table relating to the assets and liabilities of the Central Bank, table A (1) and (2). Table A (1) on page 2 of this said document shows that in the month of August that figure of $210.2 million declined to $195.8 million by almost $15 million. It means that there is a strong indication here that in September the Central Bank went even further into the red.

Anyone who is familiar with the operations of the Central Bank, with the Barbadian economy, with the operations of Government, with the debt obligations of Government and with the transactions undertaken by Government by way of the repayment of debt subsequent to the end of September, would know that situation would have repeated itself in the month of October and that the

Central Bank must be somewhere in the vicinity of $50 million negative net foreign assets right now. Anyone who wants to contradict that can bring the evidence to contradict it. In the fullness of time the information would come before us with about a two or three month lap.

I am saying that projects such as these where the Central Bank will be called upon to pre-disburse and then be reimbursed by the World Bank and whatever other institutions they have arranged to borrow funds from would at least temporarily exacerbate that particular problem. The Central Bank cannot carry any more load at this particular point in time.

As we are fully aware, the Central Bank has had to be accommodated by the Central Bank of Trinidad recently in relation to the occasion when Barbados had to repay a loan to Trinidad. That matter has been raised here. There has been a lot of cross-talk and contradiction. The last contradiction that Barbados was in difficulties and had to be accommodated in that particular way came from the other side where Senator Alleyne called upon the Governor of the Central Bank to...

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. Senator Alleyne has not spoken on this motion. I do not understand what Senator McClean is trying to do.

Mr. DEPUTY PRESIDENT: Senator Morrison, let us hear Senator McClean, please.

SENATOR A. W. A. McCLEAN:...where in this Chamber the Governor of the Central Bank was called upon to repudiate the suggestion that we had to be accommodated in a certain kind of way by the Central Bank of Trinidad to enable us to honour a prior obligation to the people of Trinidad. The Governor of the Central Bank was called upon to state that it was the Governor of the Central Bank...

SENATOR Dr. F. W. ALLEYNE: Mr. Deputy President, I was the person who made that statement which Senator McClean is referring to in the last debate. I called upon Governor King at that time to make the clarification. I am saying that what I said is absolutely correct. Senator McClean is trying to impute improper motives to me. That is what I am objecting to. If there is any lie being told, it is Senator McClean who is lying.

Mr. DEPUTY PRESIDENT: Senator McClean.

SENATOR A. W. A. McCLEAN: Mr. Deputy President, as I was saying the Governor was called upon to indicate that it was the Governor of the Central Bank of Trinidad and Tobago, Mr. William Demas, who initiated the loan, who came to the Central Bank of Barbados and offered to lend them the money. I am not in any way in a position to dispute this. I was not a party to any of the discussions. I do not know. What I can say is that the Governor of the Central Bank...

Mr. DEPUTY PRESIDENT: Senator McClean, will you please let us know what is the relevance of your point to this debate? I have been very patient but I should like to know the relevance of your point in this debate, your specific point.

SENATOR A. W. A. McCLEAN: I am speaking to the condition of the Central Bank in relation to its ability to carry through programmes such as this at this point in time. I am saying that programmes such as this, if the commercial banks start to subscribe to it with enthusiasm, could prove an embarrassment to the Central Bank which is already in an acute situation of embarrassment. I was substantiating that by referring to certain matters that are fairly well known. The point that I was making at the time was that the accommodation which the Central Bank of Trinidad gave to the Central Bank of Barbados is largely a reflection of the distress that our Central Bank is currently in. We were told to presume that it was not so.

Mr. DEPUTY PRESIDENT: Senator McClean, I do not see the relevance of what took place with the Central Bank of Trinidad and what it is proposed should take place now. Will you please continue.

SENATOR A. W. A. McCLEAN: I will continue, Mr. Deputy President. The essential point is that our Central Bank today is in a very precarious position and programmes such as this will create added difficulties for it. If we are not cautioned in that regard we could find ourselves in deeper waters than we ought to find ourselves in. Proceeding beyond that point, I take it that everyone is fully aware that the Central Bank has problems. I do not have to overdraw that point.

Getting back to the question of the fund and the business of making funds available to the industrial sector, I would say that this particular programme will also run into particular difficulties at this point in time because many business operations cannot make reasonable decisions to engage in any substantial investment projects at this time. Therefore, when you are addressing any type of situation, you always have to address what economists refer to as the dominant constraints, the thing that is clogging up the works at this point.

If you have something which is stopping water from flowing at a particular point and you go somewhere else and make it nice and easy that the water can flow and reach there, you are not doing much. You have to unclog where the blockage is at the point in time.

12.10 p.m.

It is not that. The manufacturing sector in Barbados, that part of it that is oriented towards producing for the local market which is a major part of it, is in serious difficulty because of the loss of markets. People in Barbados cannot buy as much from them as before. Some people cannot buy anything at all from them and that is why the sales have fallen off. You can throw any amount of credit at them and any kind of concessions. If they cannot experience a situation where people are going to buy from them, they cannot proceed and I say that is a problem. If you doubt that that is a problem, if you doubt that the fiscal measures introduced by this Government since 1988 have brought certain aspects of the manufacturing sector to a point of virtual collapse such that this measure or any measure aimed at pushing funds in their direction cannot reverse that situation, let us look again at the record. I draw attention to the October 1990 Economic and Financial Statistics of the Index of Industrial Production. I am at Pages 84 and 86. I will start at Page 86.

On Page 86 you have a situation here where it is indicated that manufacturing was fairly well expanding through 1987 into 1988. But thereafter the Budget of 1988 such sectors as wearing apparel, wooden furniture, and food went into some measure of decline and that decline has been especially severe in the area of wearing apparel where the level of output in the wearing industry in the first half of this year was only about 52.9 per cent of what it was in the first half of 1988. That is what is indicated here in this Table. If you go back to Page 84 where you have the month by month details, it brings you even more recent figures. On Page 86 you only have information down to June on a quarterly basis. Here you have information on a monthly basis down to August. You will notice that the information here indicates that by August the wearing apparel industry had virtually collapsed. The Index was at an all time low of 14.5 per cent. When the Index started in 1982, it would have been 100. So the output in that month was somewhere in the vicinity of about 14.5 per cent of what it was on average in the year 1982. In relation to the previous output of August 1989, August 1990 was only 27.8 per cent of what it was in August 1989. Fourteen point five per cent is virtual closure of that particular industry.

The situation is not much better in relation to wooden furniture. Going back to Page 86 between the first six months of last year and the first six months of this year, the output within the wooden furniture industry is only 49.7 per cent of what it was last year. The wooden furniture industry only started to feel the shocks of the 1988 Budget and subsequent Budgets with a time lag. We know that is tied in with the building of houses and so on and the turn around comes with a delay. The garment industry felt it immediately in 1988.

So I am saying that the situation facing the industry in Barbados is very acute and the types of measures which are being proposed here today are not the types of measures that can turn around that situation in the least. To turn around that situation, you will have to reverse all of the policies introduced by our present Minister, one and only Minister of Finance since 1988. His taxation policies and credit policies would have to be turned around. Until we do that, such activities as we are engaging today is merely tokenism. I thank you, Mr. Deputy President.

Mr. DEPUTY PRESIDENT: Senator McClean. Senator Alleyne, I am sorry.

SENATOR Dr. F. W. ALLEYNE: Yes, I am very glad you withdrew that insult, Mr. Deputy President.

SENATOR A. W. A. McCLEAN: On a point of order, Mr. Deputy President. I am just wondering whether if it is not a breech of anything to indicate that your referring to him by my name is an insult to him.

Mr. DEPUTY PRESIDENT: Thank you. Senator Alleyne.

SENATOR Dr. F. W. ALLEYNE: Mr. Deputy President, the debate so far on this Industrial Credit Fund has been partly informative and partly amusing. I think it is of some significance that the European Investment Bank can repose in Barbados the kind of confidence which is now being demonstrated by its decision to make these additional resources available to the Industrial Credit Fund. It is particularly important at this time because right here in Barbados you have some amongst us who will do anything to destroy confidence in the Barbadian economy. I am not amazed because I expect some people to behave that way. How on the one hand you can say the economy is broke and the most recent prophesy we had – I have to call it prophesy – is that there is a demand that the Government devalue and yet at the same time international institutions like the European Investment Bank can demonstrate this kind of confidence in the country? I have to say sometimes if you have to make more than normal provisions for fools and charletons. The most recent assault on the intelligence of Barbadians with respect to what is happening at the level of confidence in this economy (which flies in the face of this decision by the European Investment Bank) is what I call a wicked and dastardly act by Mr. Henry Forde in saying that the Barbadian dollar should be devalued. I cited last night and I repeat in this Senate today...

SENATOR A. W. A. McCLEAN: On a point of order, Sir.

Mr. DEPUTY PRESIDENT: Senator McClean, I take it that you are rising on a point of order. What is your point of order?

SENATOR A. W. A. McCLEAN: Based on my understanding of what Mr. Forde said, Mr. Forde never said that the Barbados dollar should be devalued.

Mr. DEPUTY PRESIDENT: Thank you, Senator McClean.

SENATOR Dr. F. W. ALLEYNE: Mr. Deputy President, Mr. Forde said to Barbados that there was a recommendation that the Barbados dollar should be devalued from 1 to 2 to a relationship of 1 to 4.25 and that this report existed. Just yesterday, as a Director of the Central Bank of Barbados, I interviewed the Governor of the Central Bank and I made it clear to him that if what Mr. Forde was saying was true I would have resigned from the Central Bank yesterday. I refuse to be a director of an organization and I do not know what is going on. You cannot usurp my authority. I do not believe in wasting my time. The Governor assured me that what Mr. Forde was saying – he did not use these words – was not true at all and that the document never existed and no such recommendation was ever made. The document does not exist in Barbados nor in Washington. But, of course, Mr. Forde knows like Senator McClean, when Senator McClean says that I disputed a statement he made about the Central Bank of Trinidad accommodating Barbados.
12.20 p.m.

Senator McClean knows that no Governor of the Central Bank is going to involve himself in political cross talk in Barbados and that is why they continue to do things, because they know that the Governor of the Central Bank is almost immobilised in these matters. It is sad to say that in 1990 people in supposedly responsible positions, like Mr. Henry Forde, can make these wicked and damaging statements which would undermine the confidence of international institutions and foreign businessmen in the integrity of the Barbadian economy and will cause businessmen to panic and private individuals to take the kind of actions which can put pressure on our foreign exchange. I have not seen a more irresponsible action in my adult life than that shown by Henry Forde.

I have heard Senator McClean speak on this matter before us today and much of what he has said is totally irrelevant. Senator McClean says, quoting from statistics produced in Economic and Financial Statistics – I think he referred to pages 84 and 86 – and he says that on those pages you will find there was substantial expansion in the manufacturing sector between 1987 and up to the middle of 1988, and after the fiscal decisions, the budget, of 1988, that sector went into reverse. I am embarrassed, to put it mildly.

I have always taught my students in economic study to distinguish quite clearly between causation and association. Mr. Deputy President, because the statistics show, when you look at the time series, that production went down, and because around that same time there was a budget, that does not establish causation, that is association. If you wish to establish that the budget caused it, you have to model the relationships and prove it. Senator McClean has failed to do that, and I am not sure if he can do it.

I am not going to bother with anything Senator McClean said about the Central Bank of Trinidad and Tobago accommodating the Central Bank of Barbados. I know the truth, Mr. Deputy President, and it is not my business to tell him what the truth is, I will leave him in the dark.

If you notice, Mr. Deputy President, this loan which is now being made available to the Industrial Credit Fund was provided by the European Investment Bank, not as in the earlier phases by the International Bank for Reconstruction and Development. Barbados is fortunate in this regard, because on this particular occasion there was a very short time lag between the application and the approval of the resources. We got this loan approved in record time. The fact of the matter is the European Investment Bank does not have half the red tape which you would associate with the International Bank for Reconstruction and Development, and it is a good thing for the manufacturing sector, for the agricultural sector, for tourism, fisheries and so on, in spite of what Senator McClean may say.

They have always been complaining. Since October he and David Seale had been saying, since the October massacre, that no money was available, and I sat down here today and heard the Honourable Senator say that is fine change. I have some things to say about that Development Bank at the appropriate time in this Chamber and I am going to bring the facts. I am warning Mr. Seale, I am putting him on notice today.

The fact of the matter is that the relevant department of the Central Bank responsible for managing the Industrial Credit Fund has done a good job, and I want to compliment them. Senator McClean has said a number of things to show that this particular facility is irrelevant. If I were a businessman and somebody came to me for a loan and it was more beneficial for me to make that loan out of my resources rather than somebody else's resources, I would always prefer to make it out of my resources, so I have no difficulty in understanding why persons in the commercial banking system relate to the Industrial Credit Fund the way they do. They use it in a case of excess demand, and there is nothing wrong with that.

Senator McClean is saying it would be better placed in the Barbados Development Bank, and with him I respectfully disagree. The Barbados Development Bank is now trying to re-energise itself. That institution has been a badly damaged institution. Between 1976 and 1986 the evidence will show the high incidence of non-performing loans which were made by the Development Bank, in spite of what David Seale says. Many loans were made for people to purchase lorries from merchants, and the only

body who lost money on those transactions was the Development Bank. Many loans were made for people to open shops to buy goods from merchants, and the loans were made without collateral. When the sow went under the counter, the only body who lost money was the Barbados Development Bank, and by extension the taxpayers of this country. So I would not agree to putting this money into the Barbados Development Bank until Mr. Beckles and his Board have it properly on track again. Mr. Beckles has not sown the wind, but he is reaping the whirlwind. The point, Mr. Deputy President, is that a lot of the loans made by the Barbados Development Bank under David Seale were non-developmental in nature, and we have to understand that.

Senator McClean makes the point that the Industrial Credit Fund does not accommodate long term lending. I do not know where he gets his information from, but my information is that the Industrial Credit Fund is to accommodate medium term financing. You read the document which sets up this Industrial Credit Fund and you will see that is the remit which is given to the ICF.

Senator Clarke gave us a very clear presentation of who has benefitted from the resources disbursed by this Fund. Tourism, and he tells us $17.3 million; manufacturing $11.6 million, and I want to stop at that point, because Senator McClean had some things to say about manufacturing which are without foundation and which are downright silly. He points to the performance of the apparel industry, and I am going to paraphrase what he said. He said that after 1988 the industry went into a steep decline, as if to suggest that Barbadians started to run around here naked. Mr. Deputy President, Barbadians are dressing better now than at any time before. The men are competing with the women in terms of fashion. Senator McClean has a one track mind, his mind has stopped moving since 1986. All he can think about are certain fiscal concessions. His mind has not got past 1986.
12.30 p.m.

I have just gone through a number of volumes pertaining to a study of the manufacturing sector in Barbados and nowhere, Mr. Deputy President, do those studies identify fiscal policy as being one of the major stumbling blocks to the development of the industry. These studies are done by reputable professionals who have no axe to grind with this Government or any other Government. What they say on the apparel industry is that our basic problem is lack of fashion. In Barbados we need a proper fashion and design school. We need a proper school to teach people to cut the garments properly. So what has happened is that we have allowed the market to bypass us. The garment industry in Barbados is not targeted to any particular market. That is why the attrition has come about over the last couple of years. You have to understand these things, don't get up and make these fatuous statements. This Government is committed to establishing a Design Centre. It has said so already and give people skills in cutting. Nobody owes anybody in Barbados a living. Barbadians have to understand that if the garment industry is going to survive and develop we have to target a particular market and earn our way into that market. Don't go cap in hand to Government, begging and saying we want this tax concession and that incentive. All you know about is begging? Senator McClean says... I want to be fair to him; he suggests by way of dealing with these additional resources we should attract some institution to lend for long term business in Barbados.

SENATOR A. W. A. McCLEAN: I don't think I said any of that. On a point of explanation. I don't think I said anything like that.

Mr. DEPUTY PRESIDENT: Thank you Senator McClean.

SENATOR Dr. F. W. ALLEYNE: Mr. Deputy President, I am going to take him at his word. I recall a point was made in this area that the way to get long-term finance to these businesses is to encourage some institution to lend for long term business in Barbados. And I am going to say this, Mr. Deputy President, I find this illogical in the extreme. How can you be running down the Central Bank of Barbados? How can you be saying that there is no management at all in the Barbadian economy? You can't be preaching that morning, noon and night and then on the other side of your mouth get up and tell people about coming into Barbados to lend long term. If my little daughter told me that I would chase her away the same time and she would have to change her name from Alleyne.

Senator McClean referred to the CMCF debt as a bad debt and I rose on two occasions requesting that he withdraw the term because I believe even with his limited understanding he knows what is a bad debt in accounting terminology, and if you have a bad debt you make provisions on the books to write it off. If you see the accounts of the Central Bank of Barbados you will see that at no time do we have provisions to write it off. If you read the notes you would see that that CMCF debt has never been declared a bad debt. We are collecting interest on it and we have a firm arrangement now where the capital sum that you are talking about as bad debt is being repaid. So as far as Senator McClean understands it good news is bad news, but I can tell you as of today this talk about bad debt you can forget. It is a good asset and it is an arrangement which allows the people of Barbados to receive annual interest payments and we are included with that arrangement with the IMF and the World Bank for getting the Guyanese economy back on track. Barbados is part of that, so you can pronounce to the world about bad debt; the badness is in your head not in the debt.

Mr. Deputy President, I am particularly happy at the ready response of the European Investment Bank to the application by the Barbados Government. It demonstrates a

confidence in our capacity to manage our affairs. I am particularly upset when I see non-Barbadians, foreigners, displaying that confidence in Barbados and you have villans and scamps in our midsts who try to tear us down. It is the worse thing you can do to Barbadians as a people.

Mr. Deputy President, with those few words, I support this Bill.

SENATOR J. S. GODDARD: I thank you, Mr. Deputy President. I cannot speak with the same authority on this Industrial Credit Fund as the two previous speakers. However, I would like to thank Senator Clarke for the lucid explanation which he gave us earlier today on how the fund came into being and has been utilised to develop the industrial, agro-industrial and tourism sectors of the economy. I have only had one experience in dealing with that Industrial Credit Fund where a public company with which I am connected borrowed funds to put up additional warehousing so that it could expand its production and earn more foreign exchange for the company and this country. It was a very successful loan. The company got it under very favourable terms, was able to repay it in full and increase its earnings. So, I can only speak from that one experience in dealing with this fund and it was a very happy experience.

However, Sir, I really was not planning to speak on this Resolution, but I have been challenged by Senator Clarke when he said that the private sector had been making general statements about Government as sending mixed signals. Mr. Deputy President, I am not on the Council of any private sector body and I don't pretend that I am the authorised spokesman for the private sector. However, I believe section 36 subsection 4 of the Barbados Independence Order No. 1966 allows me to make some comments and I quote from that, Sir.

> "Seven senators should be appointed by the Governor General acting in his discretion by instrument under the public seal to present religious, economic or social interest or such other interest as the Governor General considers ought to be represented."

So, Sir, with those terms of reference I would try to speak on economic interests.

I believe Senator Clarke would have been referring to the letter that was published in both daily newspapers which commented on "mixed signals". That letter was signed by the presidents of 4 private sector organisations. In truth and in fact, Sir, that letter raised nine specific points and the replies have either been general or cynical. Not one of those 9 specific points has yet been addressed. But Sir, this is only the middle of November. It may take a little longer.

The Government has a development plan and I believe the correct date is 1988-1993. The Government is in a position to prepare a development plan because the Government in its totality is one body made up of cooperating component parts. The private sector by definition consists of members of competing companies and other business interests. So it would be totally impossible for any private sector in any country to prepare a development plan similar to the development plan that Government is able to prepare.

There were a few points raised. The first was, would the private sector prepare a detailed list of projects? I have already said Sir, that would be impossible given the competitive nature in which the private sector operates. The private sector has different criteria to the public sector, apart from the fact that the members are competing and cooperating at the same time.
12.40 p.m.

Their decisions are based on confidence in the Government, in the country and in general conditions. Their decisions are based on market considerations. It is based on the availability of funds in terms of conditions on which those funds are available. It is based on an estimated return on investment. It is also based on the extent to which Government and its agencies are willing and able to facilitate private sector decisions. These are just some of the important considerations. It is certainly not an exhaustive list.

Senator Clarke then went on to ask for an indication of specific concessions that would be required. The private sector requested meetings with the Prime Minister and Minister of Finance because concessions have to be based on Government's policy. Questions were asked what is Government's policy with regard to certain sectors? Certain submissions had been made, months had elapsed and the information requested had not been forthcoming. I agree it is a legitimate question, Sir. Specific concessions required can be done on a sectoral basis but it has to be done within the framework of known Government policy and a willingness of Government and the private sector to get together at short notice in the national interest.

A third question was how long would some of these projects take to implement? That is conditional on Government policy and concession requested.

Finally, how much foreign exchange will be required? A very valid question. How much foreign exchange will be earned? How many jobs? We all know plans are not cast in concrete. There is an indication. All of these could be determined within approximations if there is a willingness and readiness in both the public sector and the private sector to sit down and discuss these points and arrive at

reasonable positions. It cannot be precise anymore than the Government's plan can be precise. Just let me give one example, Sir.

The Government's plan says that the fiscal deficit would be reduced to 2% of GDP by 1992. Sir, you and I know that cannot happen given the trend right now of the public revenue and public expenditure. I do not blame Government for that, Sir. That could easily be due to factors outside of their control to some extent. I am not saying altogether. To use private sector terminology, the private sector is always willing and ready to sit down with Government Ministers, Government agencies and discuss mutual problems.

The private sector cannot survive and prosper in a vacuum. It is dependent on clear statements of Government policy and a willingness by Government to facilitate. The private sector is dependent on that. The public sector is dependent on the prosperity of the private sector from which it derives its taxes direct and indirect. Sir, the name of the game is trust and cooperation. I thank you.

SENATOR Miss V. P. BRATHWAITE: Mr. Deputy President, in rising to support the Resolution before this Honourable Chamber, I wish to start my contribution on the point that has just been put forward and ventilated by Senator Goddard.

In closing his intervention Senator the Hon. Dr. Carl Clarke issued some challenges to the business community. Specifically he invited them not to speak anymore in generalities but rather to submit detailed programmes for projects which they want to undertake, to indicate in specific terms what concessions they need to bring their projects and programmes to reality, to indicate also how long it would take for these projects to be implemented, to tell Government how much foreign exchange they would use or need, how much they would earn, and how many jobs would be created.

Mr. Deputy President, when I am confronted with situations such as this, my first reaction might be to find it comical if it were not such a tragedy in the Barbadian context. Here we have a Government that has been the Government of the day for the past 4 1/2 years which sends abroad the signal verbally that it is committed to the national interest and to the creation of an environment within which all citizens of Barbados may enjoy a satisfactory or reasonable standard of living. Some 4 1/2 years into their 5 year term we find these "feeble" challenges thrown out to a sector that is vitally necessary if Barbados is to progress into the 21st Century and vitally necessary for the creation of that environment of which I spoke earlier.

Senator Goddard alluded to a letter which was published in the Press quite recently signed on behalf of some of the organisations which are incorporated into the business community. In that letter some detailed points – Senator Goddard quoted but I am not sure as to the exact amount – were indicated in that letter. We have heard nary a word from the Government in response to those specific charges. What we have heard, Sir, is an attempt to draw red herrings across the trail, to divert the attention of the public from the matters raised in that letter, the introduction of certain irrelevancies in that matter such as race, and Senator Clarke comes today to issue a challenge to the private sector.

This Government has been charged with the responsibility from May 28, 1986 to run this country in a manner which would prove beneficial to its citizens. At the head of that Government is a Prime Minister who is also the only Minister of Finance who has been proclaiming recently that his Government is one of consensus; that before he has introduced any Budgetary Proposals he has consulted the relevant sectors in the economy with the view to coming up with a package which would take this country forward.

My question to Senator Clarke and to the only Minister of Finance, was this sector not consulted? If so, were recommendations not received? If they were, what has become of those recommendations? Diversionary tactics all over again, Mr. Deputy President, instead of addressing the problem at its source.
12.50 p.m.

That letter also raised, Mr. Deputy President, the fact that the Economic Advisory Council set up by Government has not met at least in the last twelve months. That Council has not been convened. That point also has not been addressed and to any one person's mind, Sir, and any person who is prepared to deal with the honesty of the situation would recognize that at least such a forum as that would have afforded Government the opportunity to hear the private sector's views. So I would invite Senator The Hon. Dr. Carl Clarke to address these considerations when he attempts to wind up debate on this Resolution.

Now Sir, speaking more specifically before us, Senator Clarke in his introduction stipulated some changes necessary if the Industrial Credit Fund is to become more meaningful in terms of the development of industry in Barbados. I am not going to repeat them right now, Sir, in the interest of time. I am sure that Honourable Senators were present at that time and are quite aware of the changes which he felt were necessary. But the one bottleneck in the system was not included in those changes necessary and that is the problem of the intervention of an intermediary between the person who seeks those funds and the body which disburses those funds. So it is a question of operational difficulty, Sir. It is the question of the logistics

of the situation where you have a situation where the commercial bank must first declare a project bankable. It must satisfy ordinary commercial bank criteria. Once the commercial bank can find those funds readily available within its own bank or perhaps borrow on the inter-bank market or on short term from the Central Bank, what therefore will be the reason for going to the Central Bank? For that reason, Sir, the rate of disbursements from the Industrial Credit Fund has been slow and persons who should normally benefit would have to satisfy normal banking criteria.

I am not suggesting, Sir, that the commercial banks be removed from the scene. But what I would want to suggest to Government is whether they could not find a more comfortable arrangement where the intermediacy of the commercial bank would not cause such a bottleneck; not that I am saying that it should be eliminated. But in those changes that Senator Clarke thought necessary such as introducing new ceilings, new criteria, sharing the risk, and so on, he still has not removed the bottleneck which is the commercial bank in the middle of the operation.

Sir, Senator Alleyne has spoken in glowing terms on this Resolution. He pointed to the fact that the European Investment Bank is reposing confidence in the Barbadian economy by lending these funds. That is a non-point, Sir. The European Investment Bank lends money everywhere. As my colleague, Senator McClean, has said, $10.2 million is not a significant amount of money. Therefore, if the Government must rely on the injection of $10.2 million into the Barbadian economy by the European Investment Bank as a vote of confidence in its management of the economy, then I suggest that they are standing on very shaky ground.

I wish not to get into the debate about whether or not the Governor of the Central Bank has or has not sought an accommodation from the Trinidad Central Bank. But what I wish to say in this regard, Sir, is that Senator Alleyne has said that we all know that the Central Bank's Governor of Barbados is not going to be drawn into any political cross talk and, therefore, he is virtually immobilized in the present situation from becoming involved in the debate. Perhaps Sir, that is why Senator Alleyne issued his challenge to the Governor of the Central Bank to speak because he knows that he is immobilized and, therefore, will never be able to substantiate the point that he is making.

But Sir, the evidence is there for all to see this lack of confidence in the Barbadian economy by local investors and small business persons. What I would wish rather to be supporting today is some comprehensive programme which the Government should have brought by now to facilitate the whole industrial sector in Barbados in the creation of an environment within which industry both large and small – manufacturing, tourism, industrial, agro-industry – can participate in a meaningful way. That is what I would rather be supporting, Sir. So that when questions, suggestions, and allegations of votes of confidence in this economy arise, let us not forget that since the latter part of last year we have had a credit squeeze imposed which was promised to be removed on many occasions by the only Minister of Finance.

Mr. DEPUTY PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, on a point of order. We are not debating the credit squeeze in this Chamber. We are talking about the industrial credit facility. There is no relevance. It has not been introduced in the debate.

Mr. DEPUTY PRESIDENT: Thank you. Senator Brathwaite.

SENATOR Miss V. P. BRATHWAITE: I smile, Sir, because I am always amused when persons ascribe onto themselves the role of the President or Deputy President of the Senate. I am proceeding, Sir. We have a situation where this Government imposed during the last months of last year a credit squeeze which it has promised on several occasions to remove and on most of the occasions when the only Minister of Finance promised to remove those restrictions on the Barbadian economy the very next day the Governor of the Central Bank issued a statement saying that they have to be continued. One wonders in that situation, Sir, whether the Prime Minister had forgotten that the measures could not have been removed or whether he chose to forget that they could not in fact been removed. This has all gone to the confidence, Sir, in the Barbadian economy. They were to be removed the end of last year.

Mr. DEPUTY PRESIDENT: Senator Brathwaite perhaps you can explain to me the relevance between the point which you are making and the matter which we are debating.

SENATOR Miss V. P. BRATHWAITE: Mr. Deputy President, certain matters have been put in issue here today by Members on the other side regarding the question of the whole condition of the Barbadian economy, the status of the foreign reserves, and so on. Since these matters have been put in issue, Mr. Deputy President, I am speaking to those matters which have been raised.
1.00 p.m.

Mr. DEPUTY PRESIDENT: I still ask you to confine your debate to the matter before us.

SENATOR Miss V. P. BRATHWAITE: I am indeed doing so, Sir, and I am speaking to the question of confidence in the economy which Senator Alleyne has raised in his contribution. I am saying that as a result of the Prime Minister's action in imposing a credit squeeze and then his failure to have it removed when he did so promise

has all contributed to a lack of confidence in him, in his Government and in the Barbadian economy.

As I said earlier, Sir, what I would rather have been supporting today is a broad based programme brought by Government to facilitate the growth of the economy in Barbados in this area of industry. What I thought, and what I still do think, would be very helpful in this regard is the creation of a venture capital corporation which would allow business persons, especially small business persons, to, as it were, find their feet and get off the ground and get started in moving this economy forward. This venture capital corporation had been aired and had in fact begun to be put in place by the present Leader of the Opposition, then the Minister of Finance in this present Government. Certain discussions had already begun and it is my understanding that these discussions were well on the way to fruition. However, Sir, it seems as though, like the 1986 Manifesto, this suggestion of the venture capital corporation, which is vitally necessary, has been repudiated and perhaps placed on the back burner by this Government, like it has jobs and housing.

I thank you, Mr. Deputy President.

SENATOR Mrs. V. C. FRASER: Mr. Deputy President, I rise to support the Resolution. I notice that the economy has been mentioned several times, the failure of Government to do this, the failure of Government to do that, and that if we have to depend on certain institutions to have confidence in our economy, then they are non-points.

I should like to say, Mr. Deputy President, that it is a very fundamental point when people have confidence in a Government that they can risk their money with that particular Government. I am sure there are many Governments throughout the world who people will never lend them one cent, because they have no credibility. It has been clearly proven and demonstrated that in this small 2x5 island called Barbados we Barbadians should be extremely proud that we are able to borrow from many institutions, and these institutions have been able to say abroad that Barbados has been able to use the money borrowed very well indeed.

Aside.

SENATOR Mrs. V. C. FRASER: And make the repayments. I was coming to that point. Also, it is a tribute to all Barbadians that we are able to pay back our loans on time. That is another important consideration. We keep talking all sorts of things about this money that Government is borrowing. Let us look at Barbados, a small developing country with very few resources, except the resources of our people. We have no minerals, we have no oil, we have no gold and these sorts of things that other developing countries are talking about. I do not consider the little oil, oil, we are not an oil rich country. I want to make that point very clear. . .

Aside.

SENATOR Mrs. V. C. FRASER: . . . . . and I am one person that nobody can sidetrack. Do not try.

Mr. Deputy President, I am happy that the money is going to be utilised in tourism, because I see very many aspects of tourism that can be further developed. I see the linkage of agriculture and tourism as a very necessary aspect of the development of the economy. I see that linkage because if people were to look at the amount of money – and I will continue to say this – that is going out of this country to buy food, not by the Government, but by people who continue to import all sorts of nonsense items into this country. They are the people who are carrying out a good slice. Two hundred and eight million dollars in foreign exchange is going out of this country for food. Who is carrying it out? Not the Government, so it means that we must seriously think of whether these people are considering that Barbados is important. If they had been considering that Barbados is an important country to them, and Barbados is keeping them up, then they will not import the kind of foolishness they are importing that we do not need, so as to drift out the foreign exchange and then keep putting the blame on the Government and saying that the Government is sending out the foreign exchange.

I think we need as Barbadians to analyse this serious situation. We have no right in this day and age to be having 57 varieties of any product, I do not care what it is, so that we can have 57 different agents. That is nonsense. That is what is carrying out the foreign exchange. All these varieties, the bay leaf, the chicken in a can, all the foreign pastries that are coming here, when our people are skilled in pastry making. They have been taught at the hotel school how to make pastry and they can make pastry. Why do we have to import pastry? Why do we have to import okras in a can? Why do we have to import simple soups like pumpkin soup? Why do we have to import baby food? Things like bananas in a bottle. That is what is responsible for the foreign exchange, so do not come telling me any foolishness continually about Government sending out foreign exchange. It is no Government, it is Barbadians themselves who must realise that this is our country and we should have a serious responsibility to the total development of this country and realise that we must sit down and analyse the situation and realise that if we do not we will all be in serious trouble.

It is not something for Government alone, it is something for the persons who are importing the nonsense items to look at very seriously. I love my country. I do not have anywhere to go and I am going to preach day in and day out the fact that our import food bill is too high and I

am going to do everything possible to see that it comes down.
1.10 p.m.

I think that all people who are in that area of food business should try to do everything possible to see that they cut down on the imports of those food items that are not necessary. We do not need a lot of these things that you see on the supermarket shelves. We have bay leaf here. Why do we need to import bay leaf in a bottle? Can you tell me that? We have thyme and marjoram growing on the fresh market. Why do we need to import it? Just because we want to send out foreign exchange and we want to get an agency and get a big drawback? Anybody who loves this country will not do that. If you do that it means that you are affecting your country's development and other people are able to employ more people and you are not able because you do not have money coming in. God bless those farmers that are producing food for us to export. What we are seeing here today... When we keep on importing these foods we show that we have no uses for the development of agriculture or farming in this country. What we should be doing is getting together those people who now import these things with the farming community; sitting down seriously and looking at the areas where we can export.

Nobody is remembering to state something that is positive, the fact that non sugar agriculture has brought in $100 million. I must say that the Governor of the Central Bank made it quite clear. Very few people are talking about it, because we always talk about the negative and not the positive. Let us look at the success that can accrue from a diversification programme and also from going out there and seeking markets that we can earn foreign exchange. This is what we as Barbadians should be doing, not continually criticising this is wrong, the economy is in trouble. What are we doing about it? Let us be positive. We are all Barbadians. I am doing my part. The farmers out there who are in the minority sometimes are doing their part. We all must do our part by encouraging people when they go to the supermarkets to make a list and buy the things they need not what they want, and eventually they will come off the shelves because no merchant is going to import anything that people are not buying. He is not so foolish. So we the people have a responsibility and a very serious responsibility to make a list of the foods that are necessary to keep our family healthy and these are the foods that you need: carbohydrates which is now called dietary fibre, these are the starchy foods like yams and potatoes and things like that. You need some vegetables.

Mr. DEPUTY PRESIDENT: All right, Senator. Don't let us have the details.

SENATOR Mrs. V. C. FRASER: You need your proteins for body building and repair and if you were to make out a sensible list you would not be caught on impulse buying and therefore those persons who now import a lot of items that are not necessary would have to stop importing them. That should be the role of every Barbadian. When they are talking, look at the high food import bill. Also, try to link tourism with agriculture. Get the people to eat the foods that we grow and the foods that are available.

Try to guide the young people into the ways of developing small successful agro-industries. This money here we see is for manufacturing and manufacturing does not necessarily mean as some people believe in Barbados, apparel or some screwdriver type thing. It means manufacturing food. I have seen recently a young man who has taken sea moss and he has made about 6 different drinks from it. This is the sort of thing you have to encourage. He is employing about 10 people. These are the things that we need to be encouraging as Barbadians.

The National Development Foundation of Barbados is in the area of small business and we are encouraging more and more young people to get into these areas of activity, even through the Skills Training Programme. Very few people may be aware, but there are a lot of young people, if we want to talk about the apparel industry, who have made loans from the Foundation. I was hearing recently about the success of a fashion show. All those young people were beneficiaries of that Foundation and they have been able to make apparel that can be compared with apparel anywhere in the world and there is another small business here that has had orders from Canada, America and England for their apparel and they are making it on a small business basis where they do not have to use a lot of machinery but are making money and employing people and that is what is important.

If you make 150 loans to small business people and you multiply that by 3 or 4 persons, you are employing them and you are also teaching them how to help themselves. It is time that we Barbadians stop calling on Government. Let us use our skills and our resources as individuals. Let us organise small business because throughout this Caribbean region, small business people have built this region. The higglers or the hucksters travelling up and down the Caribbean region, have been the economic developers of this region. This region is an agricultural region and we must take our hats off to those women and men who have been up and down the Caribbean selling plaintains, bananas, citrus fruit, wood and coals. Those have been the enterprising people. Without those people we would not have reached the stage we have reached today. Let us take a serious look at the fact that small business will develop an economy anywhere in the world and will do the same thing in Barbados. Government has done something like encouraging the National Development Fund and the Women In Development by lending them money for on-lending to help small business. That is a step in the right direction. I sincerely hope that Government will also lend more money

to these agencies because there is a lot of red tape for the bankers to handle the small business sector. Give it to us, the National Development Foundation, Women In Development and the small lending agencies, where we can oversee and monitor the loan to see that it is paid back, to see that other people can get loans. I must say that this has been going down with a lot of success because it can be sensibly monitored. I am not encouraging anybody to borrow money and not pay it back. That is foolishness and madness, because the other person will not be able to develop himself or herself.

Mr. Deputy President, before I sit I want to say that in the manufacturing industry we have got to look at the development of manufacturing that is suitable to this particular environment. We have got to look at a lot of things that we need as Barbadians and try to get people to manfacture these things, especially in the area of agro-industry. Honey is something that people drink and it is good for you. There are some people who are struggling with that kind of industry but yet we are importing a large amount of honey which tastes like sweet water. Although we know that we can get honey from properly extracted frames here in Barbados. We can get bees wax so that one industry can go into another industry.

We must look at sugar cane and look at making castor sugar and granulated sugar. Probably the setting up of a regional industry to refine sugar. We are importing too much icing sugar. This is used in the tourist industry a lot because every day they are icing cakes for desserts in the hotels. So we have to look at the things that we are utilising and we must state clearly to ourselves: "If we are utilising this, why are we not making it? Why are we not spending the money here in Barbados to develop the economy of this country?"

Mr. Deputy President, I am saying that it is time we stop talking about the economy and let us turn inwards and look at ourselves, examine ourselves as Barbadians to see if we are truly giving enough to our country, if we are using our ideas, abilities and educational opportunities to help continue to develop this country because we have nowhere to go. This is our country. Blue, white, black or green we are all Barbadians. If we suffer, we all have to suffer.
1.20 p.m.

Do not let anybody believe that a businessman is not dependent on all the people. If nobody shops in a store it has to close down. Why do we not use our commonsense and realise that we all are making a contribution to the development of the economy and let us see how better we can make that contribution, how better we can cut down on foreign exchange, how better we can develop all these little people who have had skills taught to them through the Skills Training, the Polytechnic, the Community College because they are turning out some very skilled young people. We have to catch them now. Do not let them get out there and wonder around. This is why the National Development Foundation has gone into the Skills Training and the Polytechnic to lead them into business, lend them the money immediately as they finish the various courses.

Thank you very much, Mr. Deputy President. I am looking forward to a change in attitudes to the whole question of developing our economy. It is our business.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, when I introduced this Resolution indicating that we were borrowing this money from the European Investment Bank I did not at that time intend to take us around the world. Somehow the debate went around the world and in the process of the debate some people ended up in foreign lands. Here I am thinking particularly about Senator Brathwaite who attempted to deal with an issue which she did not quite clearly understand. I do not intend to compound the problem at this point. If she is lost I will let her remain lost. Perhaps, I will catch her later in the debate.

Senator McClean over and over again has been addressing the question of negative foreign assets. I think the acid test for all Barbadians is, have we been restricted from importing the goods and services that we want to import? Have we defaulted on repayment on debt service principal and interest? If the answer to that is, "No", it is purely an academic exercise and one engaged in futility to keep discussing negative foreign assets.

If you want the comparison between a firm or business and what you are trying to talk about, you are talking about cash flow, the ability to service our obligations and to meet them when they fall due; or if we are running a loss it does not necessarily follow that the company is bankrupt. I think we should put it in the simplest terms so that people can understand. There is no point in hiding behind the language of Economics or any other discipline to confuse people when you are incapable of convincing them of anything.

Now, turning to my good friend Senator Goddard who elected to pay lip service. When I threw down the challenge to the business sector – it must be recognised that the challenge was thrown down in the context of leaders of four business sectors coming together to issue one letter – they could cooperate on issuing a letter. Now I find it difficult, based on Senator Goddard's observation for these four people to come together in their respective chambers and come out with a consolidated plan to indicate what they intend to do over time. They could issue a letter. They could cooperate on this. In broad terms it is not impossible to deal with this.

On the question of the fiscal deficit being reduced to 2% by 1992, I must remind you Senator Goddard and the Chamber that it is not yet 1992 and that there is adequate

time. Furthermore, the present position has been aggravated because accommodation was made to the business sector at the last consultation meeting when they were complaining and asking for some relief in meeting their consumption taxes payments because they claimed they were settling on 30 days and 60 days net. They were forced to pay their consumption taxes in 21 days. Since they were not collecting them they were actually paying on receivables. Government in its magnanimousness decided to accommodate them and to extend it. Consequently this has been reflected in terms of our revenue collections.

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

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

SUSPENSION OF SITTING

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, I beg to move that this sitting be suspended until 2:30 p.m. for a lunch break.

The question that the Sitting be suspended until 2:30 p.m. was put to the Senate and agreed to and Mr. DEPUTY PRESIDENT suspended the Sitting accordingly.
1.30 p.m.

RESUMPTION

Mr. DEPUTY PRESIDENT: This sitting is now resumed.

BARBADOS COMMUNITY COLLEGE (AMENDMENT) BILL, 1990

Order No. 2 was called – To move the second reading of a Bill to amend the Barbados Community College Act, Cap. 38.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, this is really a non-controversial measure. In rising to move the second reading of this Bill – I felt it would be charitable after lunch – I would like to put this Bill in some perspective. This Bill seeks to amend the Barbados Community College Act, Cap. 38 so that institution may grant certificates, diplomas, Associate Degrees, and Honorary Degrees in perspective.

A community college is a necessary institution for a developing country since it provides some measure of flexibility to the growing needs of that community. It fills the void between the established secondary educational institutions and those of the older tertiary institutions as we know them. I do believe that the Barbados Community College is ideally poised to assist this country in its developmental drive through the new century.

Just to give you some background information so that we can trace the evolution of this institution over time and the contributions which it has made to life in Barbados, because it was established in July 1968 at which time the course offerings were restricted to liberal arts, science, and technology. Just two years after Independence in 1968 we were still preparing our students at that time for the Cambridge Advanced Levels Certificate of Pitmans, London Chamber of Commerce and Industry Exams – all external exams. In 1973 the Division of Technology was introduced and in 1974 a year later the Division of Fine Arts came on stream. Also, in 1974 the Division of Health Sciences was established as part of a PAHO and World Health Organization funded regional project and designed to provide formal training in the areas of public health inspection, pharmacy, and medical lab technology. With the advent of the Division of Health Services, the College discovered a need to offer its own examination and certification and this occurred in 1976. The College for the first time after its was founded in 1968 offered its first certificates in 1976.

In 1980 the Barbados Hotel School was transferred to the College as a Division of Hospitality Studies. This addition plus the introduction of the Associate Degree Programme gave further impetus to the College to grant certification for its courses. Today the College is offering certification in the following areas: Pre-Health Certificates – a one year programme in the Division of Health Services; the College is offering diplomas in areas such as the inspection of meat and other foods and micro-biology; it is also offering certificates in such areas as the two year programme in pharmacy, public health inspection, medical laboratory technology and medical records technology. It is offering certificates for programmes in the Language Centre, certificates for para-legal services, land surveying, library assistance courses, and hospitality studies in areas such as hotel catering and institutional operations, food and beverage, tourism, reception, sales and also in the general education programmes.

From these we can see how the scope of the College has been expanding to satisfy the growing needs of a developing country. It reflects the measure of flexibility within the institution to be able to respond to the needs of the society. Quite recently we have been able to introduce the Associate Degree Programme. Development requires change and change and development require flexibility and a speediness and readiness to respond to the changing needs within that society.

Thus, if the College is to continue to evolve and satisfy the educational and economic needs of a dynamic and developing society, then it must stand ready not only to embrace new course offerings but also to expand upon and deepen existing programmes and their course content. In anticipation of such developments and to recognize citizens who have made outstanding contributions to this society

and the wider world, the Barbados Community College finds it necessary to widen its range of awards. Now it is offering certificates and the Associate Degree. It is for these reasons that we find it necessary to amend the Community College Act so that the institution may now offer Baccalaureate Degrees in addition to its Associate Degrees, and Honorary Degrees to deserving citizens in this society or any other society where the individual's actions and contributions are consistent with those which this country holds dear.

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

Mr. DEPUTY PRESIDENT: Senator Brathwaite.

SENATOR Miss V. P. BRATHWAITE: Mr. Deputy President, in rising to support this Bill, there is a matter which concerns me and I would wish to invite Senator Clarke to explain this in his winding up of the debate. Sir, I noticed that the Bill before us now provides for the granting of certificates, diplomas, degrees, Associate Degrees, Honorary Degrees and other awards by the College. It has certainly been my impression and this has been borne out by Senator Dr. Clarke just before he sat down that the College, in fact, has been offering certification in the areas which he has just spelled out. My question, therefore, is: Has the College been acting "ultra vires" in respect of the award of these certificates so far. Here we note a situation where the College has already been granting certificates in pre-health, diplomas in meat inspection, micro-biology, pharmacy, public health and such areas but we now bring a Bill before this Honourable Chamber to grant such. Perhaps Senator Dr. Clarke would be able to explain when he has the earliest opportunity because we could be in a position where the College has, in fact, been acting "ultra vires" or maybe recognizing that the College itself did not have the power earlier there may be some persons who have been held in limbo having gone through a course of study but maybe waiting for the proper conferment of such authority on the College. I just wish to invite Senator Clarke to clarify that matter for me.

Moving on further, Sir, as Senator Clarke quite rightly stated, at this point in developmental history of Barbados education presents certain challenges to us. The most fundamental challenge is that we rationalize our educational system that it answers the needs of a society moving into the 21st century. To my mind, Sir, very little attempt if any at all has been made in recent years to answer this challenge. We need to ensure that the persons whom we educate in our formal education system from primary school right up to tertiary education can make that link between academic training and its practical application. I am of the view that such an ability to make that transformation from school to the world of work and the whole mode of thinking, and the practical application of concepts that are acquired in school that that ability is still lacking in large measure in a number of our children.

2.45 p.m.

This Government, Sir, has had the opportunity to review the status of teachers in those secondary schools which were affected by the Education Act of 1981. That matter has still been left hanging today. There is also a high number of unemployed persons with skills, or who are trainable, but who have not yet had the opportunity, because of the way the system is set up, to be trained further or to be trained at all, or to find themselves placed in a working environment.

These are some of the challenges that we face as we move into the 21st century, Sir, and I am not satisfied that the Government has sufficiently turned its attention to answering these issues.

We also have a situation, Sir, where the National Advisory Commission on Education has not been fully made use of, if at all. This matter was ventilated in Parliament some months ago and even then, although the matter was then brought to the attention of the Minister of Education, I am not aware of any efforts on his part to have that commission brought fully in vogue. Therefore, Sir, these are some of the matters to which Government needs to turn.

Let us not concentrate on piecemeal measures every now and again, reactionary measures, when a situation arises. What Government should in fact be doing is adopting a holistic approach not only to education but to many other issues confronting the country. What we need to do is to rationalise our education system, to conduct a total review of the system to determine whether or not it is meeting the needs of Barbados and Barbadians, and if not, as is my submission, to determine in what ways we should go in order to bring about such a transition.

One other matter that concerns me, Sir, is the whole question of morality and discipline in our schools. It has been my observation that many school children – and it seems as though the ages are going further and further down – exercise little or no discipline in the presence of adults, in the presence of their superiors and in the society generally. I say that the ages seem to be going further and further down, because it is not uncommon to find 11, 12 and 13 year olds behaving in a despicable manner in public. Part of the fault, I believe, is the lack of role modelling. Persons in public life, be they politicians, be they priests, be they teachers, must recognise that they have a responsibility to the country generally to so comport themselves that they remember always that there are little ones watching us.

I just wish to draw to Government's attention that it is not only the bricks and mortar, not only a concentration on academic prowess, but the basic fundamental aspects of education. Discipline is a part of education and the display of discipline is a part of education. Government must turn its attention to those matters and do whatever is in its power to lift the standards of the behaviour of children.

Quite recently, Sir, we have seen ventilated in the Press this whole question of what to do with gifted children. We have a situation where the education system at a general level caters to those in the middle, not the slow learners and not the gifted children. We must recognise that provision must be made to accommodate those who are middle of the road students, who take the common entrance examination, get into secondary schools, go on to CXC or GCE 'O' Levels, go on to university and so on at the rate at which children normally do so, but we have to pay more attention to those who need special concessions, like slow learners at one end and like gifted children at the other. I am satisfied that it is not the correct treatment to just lump these children all together and let the devil take the hindmost; in other words, proceed according to your age differentiation and not according to academic ability. We must so structure our education system that such special children, both gifted and slow learners, can be accommodated.

As far as the Community College itself is concerned, I would wish to see still a heavier concentration on technical studies. I believe that the time has come, if it has not come before, when we must look more to teaching persons to do things with their hands and not only with their brains. That is one area, I think, the area of handwork at the highest level possible as far as academic achievement is concerned and education achievement should be introduced or should be more heavily concentrated on.

Just one other matter, Sir, before I take my seat. It is my view also that the training of nurses should revert to the Queen Elizabeth Hospital and such other ancillary practical institutions. To train a nurse at the Community College is to place that nurse in a situation too far removed, emotionally and technically, from the environment in which that nurse must operate. Therefore, it is about time that Government take steps in that regard to return the training of nurses to the Queen Elizabeth Hospital.

Thank you, Sir.

SENATOR Dr. L. L. SHOREY: Mr. Deputy President, just a few comments on the matter before this Honourable Chamber. I do not think the importance of education has ever been in dispute in Barbados. Certainly it is not now in the last decade of the century. The provisions which our country makes for the education of its citizens clearly have a number of shortcomings, and I guess I have been as critical as anyone else, and perhaps moreso than most, about those shortcomings, but it is also true, and I have acknowledged this and wish to acknowledge it now again, that there are a number of areas in which I think the provisions can reasonably be said to hold their own with any comparable institutions elsewhere, given the resources of the country and so on. I think a good example of these resources is to be found in the institution which is the subject of this debate at the moment, the Barbados Community College.

I am in the rather fortunate position of having had fairly extended direct contact with the institution over a number of years. I think now, as I thought many years ago, that it is one of the educational institutions, and perhaps the educational institution, in Barbados which moreso than most has a tremendous opportunity to make the widest possible impact on the community for at least two reasons.
2.55 p.m.

One is the range of offerings which it has been able to make to the community in the past and as Senator Dr. Clarke indicated, these have increased over time. But, Sir, not only, I think, the range of offerings and the quality of offerings implicitly, but also the relative rapidity with which the institution has been willing and able to introduce new programmes or to test the waters to see whether or not additional programmes were likely to find a ready market in the sense of responses from members of the community. I would think that this is one of the particular advantages of the institution that it has shown itself to be so flexible in being able to tailor its offerings to the needs of the community as these have developed and I think that it has been equally fortunate in the kinds of persons who over its history have been entrusted with the task of running the institution and I believe that we owe them, the principals and their assistant staff, a tremendous debt of gratitude for what they have achieved.

I still have some concerns, of course, because I think that there are some areas of activity within the college which are being hamstrung because they do not yet have the range of facilities and resources which are needed if they are to perform at maximum efficiency. I would hope that these areas will receive quite urgent attention in the future because I think it is important that the institution be able to function adequately on all citadels and that it is not in the best interest of the community to have portions of its activity not doing as well as they could, given more adequate resources.

In this Honourable Chamber, I have in the past made reference to the importance of the work and achievements made by the College in areas that sometimes get less than adequate attention. The performance of the institution has noticeably increased and improved over time particularly in the past 2 or 3 years with respect to the activities which get a lot of public attention – the A level results. I am not knocking that at all. I give all credit to the institution for its improvement and I want to say again that there are areas of

no less importance as far as the country is concerned and I am thinking particularly of one that lends itself for example, the area of Fine Arts where the results have been no less excellent and in fact if one sought to make a comparison would probably exceed what has been achieved in other areas. I don't think that we should lose sight of this.

I share some of Senator Brathwaite's concerns. She made reference to the need for more adequate provision for what she called the gifted children as well as for the slow learners and Sir, in this Chamber, not so long ago, I sought to refer to these two groups and I would like to urge the examination by Government of this matter to ask serious questions as to whether the high flyers or what she calls the gifted children across the country – I am not talking about a few because I am quite certain that we have more than the 15, 20 or 25 who come into the limelight following the A level results, quite certainly we have far more than those. My question is whether or not we are satisfied that all of those children are getting the stimulus and encouragement that they deserve. Simultaneously I continue to urge the examination of whether those who are termed slow learners and who may not get into the Community College but who are also citizens of the country are also adequately provided for.

Sir, one of the things that has always attracted me as far as the College is concerned is its relatively open policy. I say relatively, because constraints exist in terms of accommodation for example which do not permit the College to take in all those who would wish to attend and all those who could benefit from the offerings of the institution. But that having been said, I think it is fair to say that generally speaking the institution seeks to have as open a policy as possible. To me this is a good thing because one of the things we do know is that people learn throughout life. In fact, the term lifelong education has now become almost a part of the jargon in education and the opportunity for persons to opt back into a formal institution either for long term or a short term programme, I would see as a very germane and important aspect of an educational institution of this sort. I well remember several years ago – I wouldn't like to attach a number to it, but I am fairly certain that within the last 10 or so years – one of the persons graduating from the institution and getting a certificate or diploma or whatever it was was in her late sixties. To me this is an extremely commendable thing because it indicates that the institution is catering not only to youngsters – and that is very evident if you look at those who attend – but also to older persons who wish to go back in to take a particular course to upgrade themselves. I think that this contribution of opportunity for persons to reeducate themselves, (the common terminology is update oneself, to take a different course) is one of the most important and significant aspects of this institution.

One other matter of concern I have is that circumstances have apparently led to direct linkages with tertiary institutions in a very formal way outside of Barbados and I am looking forward to the time when the programmes offered at the College will more readily gain recognition and acceptance and accreditation by the University of the West Indies. I certainly know that over the years there has been sometimes a very long delay in getting this accreditation. I am not so naive as to believe that it is a matter of waving a wand and solving the problems. I do urge both the Government and the University of the West Indies to seek to expedite this kind of interaction.
3.05 p.m.

In sum, I have no hesitation whatsoever in supporting the Bill as it is presented before this Honourable Chamber. I believe it is an extremely commendable interchange, certainly on the question of improvement. I would join those – this would mean every Member in this Chamber – in congratulating the Government on this move and in wishing the College continued success.

SENATOR Miss Y. V. WALKES: Mr. Deputy President, I rise to support this Bill to amend the Barbados Community College Act in order to provide for the granting of certificates, diplomas, degrees, associate degrees, honorary degrees and other awards by the College. I think this is a step in the right direction by the Government. To my mind it also adds flexibility to our educational system. Furthermore, it broadens the scope of our educational capacity. I see it, therefore, as very worthwhile.

I think we may be able to say that Barbados is one of the highest if not the highest country in the Caribbean in terms of percentages in its tertiary education although when we look at a population percentage we are still at a very low level. If we are thinking of raising our level of tertiary education to that of the industrialised countries which I think we should try to pursue a road to, if we are looking at progress and development. If we are going to look at countries like Japan, the United Kingdom, the United States of America and industrialised countries of that nature, then we need to get into the 20% or the 30%. This would mean that we have to upgrade our training and retraining. It is not only our training but our retraining.

I look at this, if I can give an example of if a company has to upgrade its equipment or machinery every year or every few years, then a country like Barbados need to upgrade its human plant every year and as much as possible. It would seem to me that our people need to be on the move. We need to get involved even moreso. I am saying this amendment to this Bill tends to do this in my opinion.

If we look at institutions like the University of the West Indies and the Barbados Community College, we have to look at even getting them involved more on a full-time basis. For argument sake, if you are talking about

education in terms of training and retraining of people, to get our people on the move then we have to look at the Community College and the University having courses maybe from 8.00 a.m. until 6.00 p.m. and from 6.00 p.m. until 11.00 p.m., a second set of courses. You are talking about a country in action. You are not talking about a country that is stagnant. This would mean that even on Saturdays we can have courses. It also means that we have to fully and totally utilise our human plant.

I am saying that at least a third of our employed work force should be involved in training and retraining. This brings to mind nurses. There was mention made by Senator Brathwaite about the nurses in terms of where they are being trained. I see this not as really to go into the merits and demerits of where nurses should be trained because I see being trained at the Community College may be theoretical just like being trained at another place. Then if you had to do your practical you can go to the institution where that practical is put in place just as you would go into schools if you were a teacher and practise with the students and not necessarily have your theoretical training in the hospital.

Nurses, teachers, artisans, bank personnel or civil servants. What I am saying is we need to be training and retraining constantly every year so that you are having a whole set of people going through this training. We will hear the question, where will that money come from? You might even hear questions of squandermania if you are not careful. What I am talking about, this will also create employment because you are going to have now a set of people going out there being trained and retrained. You are going to need staff, professionals, stenographers, secretaries, different equipment. You will also need security and things like that to upbeat your staff.

The point is that this investment in the human plant will bring in revenue also to Government from that economic growth. If we are going to say, and we know that Government revenues are directly related to economic growth, then Government would regain the revenues from the investment in our human plant. There is a very close link between our educational capacity of the human plant and productivity of the human plant and economic growth. We are not saying that you are going to be just investing in the human plant without any returns. The returns will be there so that the results in our revenues will show up in our economic growth. The greater the human plant then the greater should be our economic growth.

I am saying that, to my mind, the amendment of this Bill gives so much flexibility that I can see this facility being extended in different parts of the Island. I would like to think that this can flow even in the north. There was a lot of talk here this morning about agro industries. I would like to think that kind of institution being a part of the Community College can be taken into the northern end of this country. I say agro industries for the mere fact that the country area in Barbados has a long history of agriculture and the country folk always have their livelihood from agriculture. Therefore there is a need to develop an industrial culture in the north. I can see no better place than St. Peter. St. Peter is a city area. It can serve the whole northern end of this country.

3.15 p.m.

You have secondary schools in St. Peter, St. Lucy, St. Andrew, and St. James and none of them as far as I know has a Six Form as such. So that you can have the kind of facility that is now available at the Community College taken to St. Peter in more the hub of activity to ensure that there is an extension of the College in that area.

I am not trying to find expenses for the Government although we have looked at the kind of areas that investment in the human plant can activate revenues. I am saying that there has been an initiative in Barbados for agro industries. This initiative should be fostered and I see this as a very good opportunity for the private sector to look seriously at fostering this kind of initiative into other areas of Barbados. This is one of the ways that it can help to create an industrial culture and I say this specifically for the North. So that I see an agro processing plant or agro processing division of the Community College being very necessary in that area to utilize our great abilities in agriculture.

Well, let me just go on and make another short point or observation, Sir. I am involved in an institution, Barbados Workers Union Labour College, and I see a linkage between the Community College if we are going to look at how the Bill can be amended and have affiliation to maybe other colleges and institutions of learning. The Barbados Workers Union Labour College is such an institution that involves mainly workers from all levels of the society. I am saying that I see these linkages coming in terms of the Community College having maybe the academic side of it if you are looking at whatever. Maybe you are engineers or hotel trainers and the Labour College can provide modules in various areas if we even look at such areas like occupational safety and health, rights and duties of workers, work ethics and collective bargaining, and things of that nature. Then one can see that this whole question of getting students involved in the world of work right there in their training is a very necessary area that we can have. We can even have joint certification if so desired. It can be worked out meaningfully, but the point is that the linkages can come in there with the Barbados Workers Union Labour College and the Community College.

Mr. Deputy President, I see this Bill as a very worthwhile one and I can see it having some positive far reaching effects in Barbados and I support this Bill. Thank you.

SENATOR Dr. F. W. ALLEYNE: Mr. Deputy President, this is a non-controversial Bill. For the first time I have been able to agree with most of the submissions made by Dr. Shorey. I can agree with him when he speaks on some of the things on education, but when it is on economic management we are far apart. The first thing I wish to do in supporting this Bill is to take the opportunity to place on record my appreciation for the tremendous contribution which the principal as well as staff and the Boards of the College have given to Barbados over the last 22 years.

It is seldom in the life of an educational institution or any institution at all that the short space of 22 years you can win your spurs. I was living in Jamaica at the time when the Community College was introduced in Barbados in 1968. I followed the development of the College rather carefully because it was in 1969 there was a teachers' strike in this country around that Community College. That was the centre of discussion and the present Prime Minister's political career was threatened with a premature end at that time. I believe that nobody is as proud today as a result of the development of this Community College as Prime Minister Sandiford.

I make bold to say that the Community College today can hold its own when it comes to A Level teaching with the best of the traditional A Level institutions in this country, that is Harrison College, Queens College, and Combermere. During the last couple of years you find that as soon as A Level results are published there is a rush to the Press to explain a way for the success of the Barbados Community College. There are several school principals who will tell you that the results do not belong to the Community College but to us. The children spent two years at our schools. But Mr. Deputy President, I invite this Chamber to consider this. How is it that some children spend two years in Sixth Form and cannot get an A Level certificate? Some of them come out with one E at A Levels and they can go and spend just one additional year at the Community College and they can get acceptable grades. My view is that if you cannot get a C grade or above you can throw it away. It is not an acceptable grade for me. My children have a different approach. They tell me, "Daddy, if I cannot get a B, it is a waste of time". I am talking of someone with some experience with the College. I have two daughters who have passed through the College. The College has done them proud and they have done the College proud as well.

Not only in the A Levels has the College won its spurs, but it has won its spurs all around. There was a time in Barbados when parents were reluctant to send their children to the Community College because there were many people who would say, "I am not sending my child up there to scarlock. It is a picnic affair." The results have proven those "doubting Thomases" wrong. Last year the Community College held its own with Harrison College. If you noticed, this year in terms of applications to the College, the College was unable to accommodate the myriad of requests for admission into that institution. Senator Shorey makes a point that the College is not as accessible to everyone as it should be. I am sure that Senator Shorey recognizes that the College can only function within the limits of the resources available to the College. It is to the good repute of the College that not only the numbers of applicants have been increasing but the quality of the applicants have been increasing. In the early years the College had to take whoever came. That is not happening today. People are leaving Queens College with first class certification in Fifth Form and going straight to that Community College. Some are leaving Harrison College with first class certification. I am referring to six subjects grade one and above and they are going straight to the Community College. That is happening today. It never happened ten years ago.

I believe that that trend is going to strengthen in the future because the staff of that College is one of the most dedicated teaching staff that you have anywhere in Barbados. I know teachers at that College who go at peoples' homes and bring groups of children together to teach them without reward. They are not paid for it. I know of that and that is a first class example which teachers in other parts of this country should follow. So the good results of that College have not come by chance. Mr. Barnett played a meaningful role in building the foundation in those early years which was a very trying period. His very hard work and the staff which he had at the time have laid the foundation for the success which you see that College is reaping today. Senator Brathwaite raised a point – why is there this amendment at this time to provide the College with the means to provide its own certification? The College has not been doing anything which is illegal.
3.25 p.m.

The College has been teaching syllabuses which were devised and certified by other examining bodies. I was hoping that Senator Dr. Shorey would have given this explanation, since he has better knowledge of the College than I have, having been Chairman of the Board for some years. The College has not been doing anything that is illegal. What this Bill seeks to do is to enable the College to devise its own syllabuses, to administer them and to certify them. That is what this sets out to do. Notice I said "its own", the operative word being "own", not somebody else's.

Senator Brathwaite also made the point about the role of the College in providing skills, and she suggests a shift in emphasis towards people who work with their hands as opposed to just these academic subjects. With great respect, Mr. Deputy President, I wish to submit that one has to recognise the role of the Samuel Jackman Prescod Polytechnic in relation to the Community College and in relation to the University, and we must not seek to

duplicate. Otherwise the very point which Senator Brathwaite is making about rationalisation would come to pass, you would end up with a very irrational use of resources. So I cannot support this notion that the Community College should be concentrating more on technical subjects. I think we need to build up the Polytechnic more, we need to lift the capability in terms of the equipment which is available to the Polytechnic so that we can start to produce people with stronger engineering skills and other technical skills within that Polytechnic. I am convinced that we can do it in Barbados. People with better machine skills we need to see coming out of that Polytechnic, but I must submit that I do not think there is any choice between an emphasis on hands-on versus brains, because I never have heard of a situation in which the hands tell the brain what to do. It is the reverse, the brain has to instruct the hands, and I am submitting that the stronger the academic component of the programme, the better will be the quality of the people you put out. Therefore, what the Community College has to seek to do is to try and attract better quality people in terms of their intellectual equipment and we must not try to duplicate in the Community College what the Samuel Jackman Prescod Polytechnic should be doing.

The other point which I think speaks well of the Barbados Community College is that today it is an international campus, it is not a campus confined to Barbadians. You will find people from several countries who are sponsored by their Governments, who are studying at the Barbados Community College. That speaks well for the standards in our education system. It also speaks well for the College as an institution, because there is that mixing of cultures, mixing of ideas which will take place from that interchange on the campus.

Some reference was made to provision for gifted children. I must admit it is not particularly central to this discussion, but it has come up on two occasions in this discussion. I would say that anyone who is conscious of education and the role of educational development would recognise that this is an item which has to be put on the agenda of public policy. The point is, when. If you look at education provision in Barbados, if you make a comparison with the rest of the English speaking Caribbean as well as the French speaking and the Dutch speaking Caribbean. If you even go across to Central America and Latin America, you will find that our education system in Barbados is superior to anything they have, so it is not a matter of getting in here and believing that overnight we can solve the problems in education in Barbados. You cannot do it.

Jamaica is 25 times the size of Barbados and you have people in Jamaica who have never seen a school, and they are 14 and 15 years old. Not only in Jamaica, you have them in some of the OECS states. In Barbados everybody can have a place. Every person of school age in Barbados, every person under the age of 16 in Barbados can be guaranteed a place in our schools. There are not many countries in the Caribbean, Central America, Latin America and Africa and parts of Asia which can make that boast, so do not let us get in here and believe that overnight we should have the kind of resource provision where we can solve all the educational problems of the country.

Nobody has to convince me that at some time we have to put on our agenda provisions for people at the extremities, the very gifted ones and those who are very backward, as well as the handicapped and the disabled. All I am saying is that I am convinced that within its resources Barbados has done a fine job in the area of education. We have been allocating something in the region of 20% of our budget to support education. There are not many countries who do that.

I well remember that when the College tried to introduce these associate degrees there were some persons in this country, who call themselves educators, who strenuously resisted this move, and I am happy today to know that that associate degree programme which has developed in link with a North American university, has enriched the curriculum of that College. It has broadened the students' experience. You cannot go there and enrol in the science faculty, for example, and say you are doing three A levels, you have to enrol in the associate degree programme as well, and that gives one a broad experience, covering things like ethics and politics. You can cover a whole set of things. It broadens the student's experience. You can cover the whole gamut of the humanities as well as doing the sciences, and there were people who fought bitterly because of a very narrow outlook against the introduction of that associate degree, and I am proud to say that that associate degree has taken root in the College and that the students are benefitting from it.

Mr. Deputy President, I started off by saying I do not think we have a controversial discussion on our hands. I think it is a case of giving praise where praise is due. All praise to the staff of the Community College, the past and present, all praise to the Boards, the past and present, and I can only hope that the Barbados Community College will go from strength to strength. Mr. Deputy President, I support this Bill.

SENATOR N. W. BOXILL: Mr. Deputy President, we have heard a lot about the Community College this afternoon, but I know there is no one in this Chamber today who had a longer connection – I do not know if "connection" is the right word to use – but something to do with the Community College – association – than your honourable servant, me.

Aside.

SENATOR N. W. BOXILL: Well, I am honourable too. Before that, I have to say that what goes around comes around and this is really true. I remember some years ago Sir Edwy Talma who was then the Minister of Communication and Works and myself who was then the first Parliamentary Secretary this country ever had had to negotiate with the uncle of the Honourable Member on the opposite side. Many evenings, Sir Edwy and myself spent at the Eyrie not trying to convince Mr. Goddard because he was willing to sell; but our problem with the Community College, strange enough as it may sound, was with our own people. The Town and Country Planning office did not want us to put the Community College there and the simple reason they were arguing was that it was in the zone 2 area. We insisted and thank God I have lived today to see the Community College become what it is.
3.35 p.m.

I went into the Community College up to today. I have a daughter who goes there and if you were to go in there you would be amazed yourself to see the progress that this place has made and what Senator Alleyne has just said is so true about the teaching of the Community College. It is wide, the spectrum is completely wide and I heard somebody in the lower House saying that it is even greater than the other colleges. I can't get into that because I didn't get the opportunity to go to either one. I know people still like to know that they have the Harrison's College tie but the thing about the Community College is that it has no tie. That is very important – no blazer. Sometimes when I see my daughter going out there I ask whether she is going to a school or to a dance. You know how these young people like to show off. But the Community College when it first started, you will remember, Sir, started under the headship of Mr. Charlie Best. We started at the place in Sherbourne. This is just above Ilaro Court. I am stating that to say this: there was a certain section of this community – let me go back further before I go further on that – the Community College was started because the Harrison College, Combermere, Lodge School and those schools had a 6th form but they were not prepared to take in outside students because the argument they were putting out was that these students coming in from outside were blocking the children from inside from getting a sixth form education. The Community College started specifically to give those who did not get the opportunity to go to Harrison's College or the other schools a chance at the sixth form.

Would you believe, Mr. Deputy President, that there were some people in this society who paid Burton Hinds, that villain, to come into the House of Assembly and filibuster that Bill when we brought it in for the Community College. He talked for days and days repeating himself until an old tactician like myself decided: "He's repeating himself so I am going to lick this." I went and told the Chairman of Committee: "Look, when he is looking around for papers I am going to move that the question be put. Minister Edwards will second it. I want the question put." So, just as he started fumbling around... The man was talking and talking because his object was to stop this country from having a 6th form education and when he looked around for papers, I put the question and when he came around with "What happened?" I said: "Stumps licked from here. Out goes you."

That is just the point I am making. Can you imagine that people in this society and some were educators too wanted us not to have a sixth form at the Community College and I have known where some of them even had the temerity – I am not calling any names because I don't want to reflect on anybody. I am not trying to be sarcastic or anything like this, but I am just reminding them. When I say what I am going to say those who know what they said will remember that all of us don't have short memories. I might be short but not my memory. They said that the 6th form was only a glorified high school when we went to get across the thing to pay the teachers a fairly good salary. These people argued and went on radio to argue that they didn't see why the teachers at the Community College should be paid more than the teachers at the elementary schools. These are facts and this is history. I was around. I was down there when we passed the Bill and I am up here now, thank God, to see that the Community College has been upgraded to that... Oh, you mean I have been vindicated not them.

Mr. DEPUTY PRESIDENT: Alright. Please address the Chair.

SENATOR N. W. BOXILL: I am sorry. This was not meant for your ears. To see that the Community College has reached where it has today and to think that you would have your own people fighting against an education for their own people, the people of Barbados... As Senator Alleyne has said, the Community College is not only a college for Barbadians. As I told you, I pass through there every day. You find people from Africa. I saw some Chinese up there this morning and I wonder what they are doing. Oh, they are building? I wondered whether they were going there too. This is what you call a cosmopolitan college. All sorts of people are there. It has served its purpose. It is a university and thank God I have lived to see that I was down there with the beginning of it and I am up here now, not with the ending, but pushing it further along the lines of success.

What I would like to say before I sit down Sir, Senator Walkes was getting a little stroke off the village pump, but I will support her on that. I think the time has come when we need another Community College in the North and I will tell you why. It does not have to duplicate what up here is doing. They can specialise in certain things and anybody could come up here; but we need it now. It is a matter of education and as Senator Alleyne says, you don't need to have, as Senator Brathwaite has said... It is true that people must learn to use their hands but as Senator Alleyne has

also said, the brain controls the hands unless you are talking about certain people who want a brain transplant. Therefore let the people go and do their academic work and by ascertaining their academic work they will all be able to do the labouring work much better because they would be more geared for it.

But, the object of the Community College and I am sure that those who had opposed it are living to see what it has done for this country and what it has done in specific terms for the unfortunate among us who could not manage to get into Harrison's College or Queen's College or Combermere or one of the other schools. It is doing what I call a yeoman service in this community and I hope to be around when it will go up to the same standard or very close to the standard of university. Don't let us forget. People have a tendency to think that because they have not made certain suggestions that the suggestions are not good. I have never been one of those people. If the suggestion is coming from the devil and to me it is a good suggestion, I will support it. But there were people who felt that because they did not have the foresight to see that a sixth form education was necessary to one and all and not to only a select few... This was one of the reasons why they paid Burton Hinds to filibuster. I can afford to call names because I am not speaking because he can't answer me. I am speaking because these are facts.
3.45 p.m.

Before I sit down – as I said I do not want to steal anybody's time – I want to make it extremely clear, and I guess I have the support of the entire Chamber, that the time has come when we can do with another Community College in the northern part of Barbados. Remember, Sir, it is education and a country without education is not a country at all.

I can speak because I have travelled extensively. I know what Senator Alleyne was talking about places like Latin America, Central America and others. I really do not deal in percentages because I have always said, if you had a cent and I give you a cent I have given you 100% but you only have a penny. If you have one million and I give you half of 1% I have given you $5000 so I do not go in for percentages. Even the great United States with all of its resources you would be shocked to see the amount of illiteracy that obtains there.

Do not let us fool ourselves that because we speak English that there is not a lot of illiteracy up in England too. If you get anywhere east of France or in Europe, it is almost one for one with the illiteracy rate. So we have something here. It hurts me when I hear people of this country running this whole society down for the sake of thinking that they can do something better than everybody else. Everybody likes to be in power but remember this is our country. When you run it down it is no use to you. You cannot do anything with it.

The time has come when we have to stop running this country down. The time is now. Every time you hear certain people get up – I am not going to call anybody's name, as I said – you hear them going on with the same speech about the economy so bad you will have to sell out this and that. I remember when the Budget came up last year how it was said the country would collapse in 18 months. When the country collapses, where would they be going? It will collapse on them. This is our country. Are they outside watching it collapse? They are inside here. It is going to collapse on them also. Let us stop dragging the country down. It is not getting us any place. This is our country. I have helped to make it what it is today. I am not going to sit down and let anyone of you pull it down because you are pulling it down on me.

Aside.

SENATOR N. W. BOXILL: The Honourable Senator is telling me to tell somebody. I do not have to tell Sandiford anything. I have to tell Richie.

Mr. DEPUTY PRESIDENT: Please ignore the Honourable Senator and address the Chair.

SENATOR N. W. BOXILL: This is not for you, Sir. You are not hearing this. This is an aside. I will have to tell Richie. He came up there keeping a lot of noise last night but you are not getting anywhere. You all are only campaigners for the Barbados Labour Party.

Mr. DEPUTY PRESIDENT: All right. Please address the Chair.

SENATOR N. W. BOXILL: I am sorry about that Mr. Deputy President. You know I would never disrespect you, Sir. I think I have said enough. I made the point that I really wanted to make about the Community College. I will repeat that what goes around must come around. I have lived to see that I did it down there and now I am up here doing justice to it again.

With those few words I thank you, Sir.

SENATOR Mrs. V. C. FRASER: Mr. Deputy President, I rise to support the Bill and to say some things in connection with what the other Senators have said. They have taken up a lot of what I wanted to say. I should like in the very beginning to congratulate those persons like others who have laid the foundation stone for that Community College. In this society we have some people who never think that anything can work. I know that there are some people who start off by telling how a thing cannot work. They are never prepared to try to make it work. That is the first thing they say. If you sit down and listen to those people they will never start anything in a country or anywhere.

I recall when we were about to start this Community College that there were many people saying it could not work in Barbados. We cannot spend this kind of money. We should not spend it. We are not going to attract the kind of student to the Community College that we want. These were among a number of things that were said in this country. Very few people at that time were trying to sit down and analyse the future. We must be more futuristic in our thinking if those who are parents are concerned about the future development of their children and how relevant the type of educational activity is going to be for the development of Barbados.

As I watched the development of the Barbados Community College I have seen the Community College widened in scope from being only an academic institution to including many tertiary and technical subjects. I myself have been involved in teaching at the Community College in the Faculty of Health Education. I think that many people do not realise and are not aware of how many areas of activity the Community College has involved in its curriculum. For example, in the area of Public Health we have inspectors trained, nurses, dietitians, dietetic technicians, land surveyors, artists, journalists who are also trained to the associate degree stage. We also have people who are doing things like fabric designing and designing of apparel at the Community College. What is more, the Community College has introduced an adult education programme where people can now do many of the subjects that they wanted to do long ago like handicraft, various types of embroidery and woodwork. All of these things are included in the adult education programme. People are given certain lectures on law and consumerism. All these are included so this makes a very vital package.

One of the areas that I would like to stress a little bit on, however, is the area of Hospitality Studies which people do not seem to realise is being taught under the aegis of the Community College. I was very happy when that happened because I have done Hospitality Studies in the area of food and beverage management. It is time that Barbadians accept the fact that we are as good as any in England, France or Hong Kong.

I recall visiting Westminster College in England and Mr. Kidner who is there now, who was a former Principal of the Barbados Hotel School, saying to me that he was extremely pleased when he returned here and looked at the syllabus of the particular Department of Hospitality Studies. We do not seem to realise that these students take the City and Guilds Examination. This examination is very highly regarded throughout the world. We have had a syllabus here that we have been using and our students have been very successful. It means now that I am happier still to think that the Community College is going to be able to give its own degrees the same way we are sending people to the Bahamas. What we want people to understand is not to get up and ridicule our Faculty of the Hospitality Studies.
3.55 p.m.

I am too often hearing people involved in the hotel industry condemning the faculty at the Community College and I think that this is very wrong because they can compare it successfully with Westminster College's syllabus or any of those other colleges and see that it is very worthwhile. There is no need to spend money to send those students elsewhere to get the same training or similar training where they can remain at home and have the same qualified teachers who have been very well trained. These teachers have their Master's Degrees in Hotel Management. You name it and they have it there at the Community College. The person heading that department has a Master's Degree and there are several people in that faculty who have their degrees.

I do not understand why Barbadians do not appreciate things that are local. We must always send somebody to England to learn Hotel Management and furthermore our attitude is bad. We do not want to accept the fellow or girl who has been trained here in that faculty and has got the City and Guilds. I only hope that the attitude of the persons in the hotel and hospitality industry – I am not saying that it is everybody but those who have the attitude that we are not able to deliver the goods here – will realize that we are able to deliver the goods and will upgrade and praise our certification from the Community College. That is something which has really been worrying my mind because they seem not to notice the people.

I think that what we want to do in this community is to realize that when training is good and we have good staffing in an institution we must praise the certification which the people get and we must acknowledge. I would like to see that the people in the various industries whether it be hospitality or whatever acknowledge in the media the training given by the Community College to the persons who have acquired it there. I think you understand me very clearly what I am saying. People in Barbados always tend to rate this body was trained in England and this body was trained in America. They do not realize that we have people here who are properly trained and they know what they are all about. We need to give these people a chance who are coming out from the Community College in dietetic technology, nursing, land surveying, public health, and all the various areas.

Mr. Deputy President, I should like to say here that I see the Community College as meeting the needs. One of our Senators mentioned something about "hands". But in that adult expansion programme that they have there it is meeting the needs of several different types of abilities of people. In other words, it is meeting the needs of people who can use their hands and brain together and it is meeting the needs of the people who may not be so academically

bent but they are technically bent. Therefore, that College is carrying a package which is catering to the needs of the society because we need to have people trained as dietitians. That is very, very important. In this day when people are so conscious about their health, we have very few dietitians. What is even a bit more upsetting is the fact that I recall when that course was introduced that most of the people came from the other islands. They did not come from Barbados. There were just about two people on that course. I know because I taught subjects on that course. I want to see that course reintroduced because there is a need for it in the hospital and so on and in the hotel industry. In all the other industries that deal with food, you need dietitians and dietetic technicians.

Also, Mr. Deputy President, we know the need for land surveyors in this country. There is a terrible need. We were talking about housing in here and we were saying that they cannot get people to survey the land and this is the reason why we have not been able to sell certain spots in some of the areas. Here in the next few years you will see more land surveyors because of the initiative of the Community College in introducing a course like that. You will also see more local nurses with degrees from Barbados instead of having to go abroad to get that. Everytime we send students abroad to do a subject that is foreign exchange going out of this country. We must not talk about foreign exchange if we do not change our attitudes. If we keep on saying that we must send people to the Bahamas to do Hotel Management when we are able and have competent people in the Community College, why are we going to use that foreign exchange? I feel this kind of thing has to be stopped. As long as a subject can be taught in Barbados and we have competent people to do it and the Community College has proven it, there is no reason to send these people abroad to do these subjects.

I hope, Mr. Deputy President, that on this particular occasion we set our brains to thinking. We will be changing our attitudes as Barbadians towards the subjects that are being taught at the Community College and towards our own local certification. This is vitally important. We must try to change our attitudes and try to let it permeate right through the society and try not to tell our children – "Well, I am not going to waste time to send you to a local institution. I am sending you to England." This is done in many areas. Even in law, I notice that some people are still leaking out here and there and going up to England to do some aspects of law. I think that it is not speaking very good for those people. It is speaking well for the Community College because we can do it. But it is not speaking well for them as Barbadians to let down their own institutions when our institutions have the ability to do the same things as the people abroad.

Mr. Deputy President, I support this Bill and I also sincerely look for the time a little further than the other people because I want to see Community Colleges in the East, North, and in the South. It takes money and it takes time. But I want to make a point that, when we come to the House of Assembly for this kind of money to spend on educating or further educating our people, I hope we will not hear anybody talking any foolishness about it because education is a serious business. We hope that everybody will be unanimous about approving the money to spend on this type of developmental tool that is called "education".

Thank you very much, Mr. Deputy President.

SENATOR C. A. BLACKMAN: Mr. Deputy President, I have three small points on this matter. First of all, it should be noted that the Associate Degree of the Community College has been accepted by institutions in North America to the point that people who have entered into university institutions have been granted a waiver of up to two years from their programme. In fact, because of the quality of instruction and certification from the Community College, the programmes of Remedial English and the like which other students were obliged to submit themselves to the Barbadian entrant was exempted from those requirements.

I have two other concerns, Sir, which I would like to raise in relation to the Community College. The Community College has a number of Advisory Committees in its structure. My regret is that they do not function. Each faculty or each discipline has an Advisory Committee but it does not function for the reason that it is not encouraged to function.
4.05 p.m.

The Tutor in charge is the Chairman of it and he does not see any reason why he should call the committee into session. I have urged on Principal Barnett and Principal Holder that that is a wrong system. If you will go to the point of appointing people to serve on an advisory committee, then they should at least meet once a year. I have been appointed to one on the commercial law session and they have not met in five years. I think the structure of it, when you have accountants, lawyers, business people who are sitting on the committee, then the committee should function.

The other point I want to make in relation to the Community College, and by extension generally speaking to tertiary education in Barbados, is that we spend a lot of money on education and people come to take it for granted, to the point where whether you pass well or fail you continue without any recourse. The University at least has dealt with that. After a certain number of times they require you to withdraw for at least a period of two years and you can come back in.

I would like to suggest, Mr. Deputy President, that all tertiary education should be treated as if it were a scholarship. You know if you are a scholarship holder and you fail

your year you lose your scholarship. If you fail your first year at Community College, or your first year at the University, and you have to repeat your year, you must do that subject to paying the cost of attending and not treat it as a matter of right that you must go back just so. We speak a lot about what we spend on education, and I am not too sure we always get the value for it, certainly in terms of those who pass through the institutions. I think we need to reappraise how we send the message that we treat it as important. Consequently, those who are the beneficiaries of the taxpayers and holding these scholarships should be required to perform or pay to stay.

SENATOR THE REV. CANON I. McK. JONES: Mr. Deputy President, just a few remarks I want to make. First of all, I happened to be living here in Barbados in 1968 too and I was a teacher as well. I was in the midst of all this talk about the Community College and why the teachers were opposed to what was suggested. What was suggested in the first instance was that they thought that this Community College should be for sixth formers and that there should be the total elimination of all the sixth form schools that they had in Barbados at the time. That was the idea. There were four schools that had sixth forms and the idea was that the Community College was to come and take over from those sixth form schools, that all from those sixth forms would all go to the Community College. That was the first talk.

The teachers in secondary schools were not in favour of that. They felt that we should not try to destroy the sixth forms they had at those four schools. The next thing was when the salaries came up. The people who were teaching at the Community College received a sizeable amount more than any teacher of a sixth form at the sixth form schools. I am telling you what I know, I am not telling you what somebody told me. That is what really caused all the trouble, because the argument was, if schools like Queen's College, Harrison College, Combermere and Lodge School were doing the same system of teaching and at the same level of teaching as the Community College would be doing, why should a teacher at the Community College get over $200 a month more than the person who was doing the same kind of work? That is what really caused the trouble and that is why we had the teachers' strike. There were many people who felt that the teachers would be afraid to strike. I was one of them that struck too, because I felt it was unfair, but it is not true to say that the majority of secondary school teachers were opposed to that Community College or the sixth form school. We were not opposed to the school as a sixth form school, what we were opposed to was the differential in salaries being paid to those people who were teaching there.

Seven teachers left Combermere and went over there, three from Harrison College, and they were to be getting $200 a month more than all of us were then getting. That was what the whole thing was about. I do not know if you all know about this, I am telling you about it. I know it is true. There may have been one or two individuals who were opposed to the sixth form idea, but as a body we were not opposed to the sixth form as a sixth form school for the Community College, we were opposed to it on those grounds.

Now I am rising to support this Resolution because the Community College has done tremendously good work. There are no two ways about that. It has done tremendously good work because it has got some tremendously good teachers too, and some of them have left the sixth form schools and gone over there to teach.

Aside.

SENATOR THE REV. CANON I. McK. JONES: Well for the more money too, but Harrison College is still doing well. Harrison College got more scholarships than the Community College. I do not agree with people saying that the Community College has outstripped all the sixth form schools, that is not true. You have to compare like with like. You cannot compare the Community College that teaches only at the sixth form level and beyond with a school that has children from the first form.

Aside.

SENATOR THE REV. CANON I. McK. JONES: You were not around here at all, you would not know anything about this.

Mr. DEPUTY PRESIDENT: Please address the Chair.

SENATOR THE REV. CANON I.McK. JONES: I am very sorry, Mr. Deputy President, but when you get these people who do not understand. . . . Anyhow, the point I am making is that everybody realises that the Community College is doing extremely well. What I like about it is the width and the range of their subjects. They have brought in nearly everything. I have been to three or four of their graduations and I was amazed to see the numbers of young men and women that went up to receive certificates in all kinds of things – designing, fine arts, some which I cannot remember. I remember going to Mr. Barnett afterwards and saying: "Tell me something. How are you going to be able to cope with all these various Divisions?" It was really fantastic, something to be proud of.

I really support what the Community College has been doing, but I do not agree that the majority of teachers were opposed to it. It is not true. That is certainly not true. As I say, I give every support I possibly can give to the Community College and hope it will go on from strength to strength.

SENATOR A. W. A. McCLEAN: Mr. Deputy President, in rising to support this Resolution I too would like to congratulate the Community College on its

substantial progress, rapid development and high achievement. Before making substantive comments, however, on certain aspects of the activities of the Community College, there are one or two points which I want to clarify.

I think Senator Jones has already mentioned one of the points I want to advert to, which has to do with the reasons for the teachers' strike and so on, which related more to salary than to any dissatisfaction with the establishment of the College. Related to that was the fact that the major difficulty which the person who thought of the Community College had again did not come from the teachers but it came from within his own Cabinet, persons who were opposed to the idea of closing down the sixth forms, so he got opposition from persons who were particularly....

SENATOR N. W. BOXILL: Mr. Deputy President, I am sorry to interrupt the....

Mr. DEPUTY PRESIDENT: Is this a point of order?

SENATOR N. W. BOXILL: Yes, Sir.

4.15 p.m.

A point of order, Sir. I was a Member of the Cabinet as I said earlier and there was no opposition in the Cabinet unless he doesn't understand what a Cabinet means. There definitely was no opposition because we were all for it.

SENATOR A. W. A. McCLEAN: Mr. Deputy President, I am not saying that in Cabinet meetings... And I am not so sure that Senator Tudor who was also in Cabinet at the time would have been supportive of closing the sixth forms. What is more, the sixth forms were not closed down. I am saying that the person who suggested the idea wanted sixth forms to be closed down. That was noised abroad. So, I am saying that he met resistance from his own Cabinet colleagues in terms of closing down the sixth forms, to the extent that they were not closed down.

Mr. DEPUTY PRESIDENT: However, that is now history, Senator McClean. You may proceed.

SENATOR A. W. A. McCLEAN: The other point which I want to make on the Community College relates to what seems to me to be a misrepresentation delivered inadvertently about Senator Brathwaite's comment regarding the emphasis which we place on hands and brains.

I do recall Senator Brathwaite indicating that the students should be taught to use their hands as well as their brains. She wanted balance rather than overemphasis on theoretical work only. There was never any suggestion or emphasis on hands instead of brains and any person who had a brain should have been able to perceive and understand the words which she used and recognize that she was not making such a statement and should therefore not seek to distort her words in that way. Such deliberate distortion if it was deliberate is something to be abhorred and if it is accidental, persons must be more attentive, listen more carefully and try to understand the contributions of their fellow Senators.

Now, to the substantive point that I want to make in relation to the Community College's Associate degree. I commend the Community College on the introduction of such a programme and I am especially pleased to know that they get full accreditation up to two years for certain degree programmes offered in North America. This happens because those degree programmes start off with a first and second year which is decidedly similar to what is intended to be done in the structure of those Associate Degrees. It has been said that we don't have comparative accreditation at the University of the West Indies and this is also true and is perhaps something which in the fullness of time we would hope would not be so. But, there are reasons for it. The University of the West Indies programme is a three-year degree programme as opposed to a four-year in most North American colleges structured rather differently and persons coming from North America having spent two years will not necessarily get a full year off in terms of credit from the UWI programme. But going beyond that we have had a particular problem where the students taking the Associate programme at the Commmunity College have at the same time been studying for A Level. It was not intended to be so originally.

The original intention as far as I understand it was that students would have opted from one stream or the other – the A level stream or the Associate degree stream. But it seems as though nearly all the people opted for the A level stream and therefore to get this Associate degree stream off the ground, they married the two. But you have had a situation where they studied in relation to the Associate degree for five terms, a full year, in the first year and then up until about March – and that is an Associate degree – and then they went on for another three months down into June studying for their A levels. You could have a situation where a person can be deemed to have satisfactorily satisfied the Associate degree in that five-term period and proceed in a term thereafter to fail the A levels which would mean, normally, to forget the Associate degree for the time, that that person did not satisfy the full matriculation requirements of the University. Passing the Associate degree, if it was accredited would probably mean that they would even get a year in advance and you would be into a very anomalous situation where on one assessment that student has not indicated that he has reached the level for full matriculation and on another assessment if he had given full accreditation which he has not yet done, we would be seeing he has reached the stage to go to year 2 of one programme. So, that was an anomaly which could not be particularly entertained.

There were difficulties beyond that in terms of the content of the programme and how it compared with our first year and I would hope that in the fullness of time the

Community College will once again unravel those two programmes and keep them as distinct streams and therefore be able to structure the Associate Degree programme much more in terms of what they deem appro-priate in the given circumstances in accordance with Barbadian requirements and whatever other requirements rather than trying to dovetail it with A level examinations. If this is done and there are concerns about getting exemp-tion from the first year for University, that should pose no great difficulty because the university already takes students from O Level and over two years takes them through the first year. So the Community College can do the same thing too. The structure would be different from ours because it is an Associate degree, but yet in terms of the content, in the specifics of the areas, you can say they have brought them up to about that level that they can get complete exemption from the first year. But, that has not yet been indicated based on the existing structure of the Associate degree.

I think that maybe in the fullness of time the Associate Degree will be able to attract people and not have to force the A Level people into it as a matter of necessity rather than as a matter of choice. Part of the reason why fifth form students will not readily opt for the Associate degree over the A level has to do in part with the fact that the Associate degree is not accepted at the University as yet, has not even been evaluated at the universities as yet, in England and all about, so that they might hesitate as to whether they can use it to get into institutions all over the world in the way they can use the A levels.

But more importantly, we have a system of giving people scholarships on the basis of A levels performance and not on the Associate degree performance. So people who have their eyes on getting this scholarship to go abroad to study, and a lot of them are encouraged to think about going abroad to study, winning scholarships to the extent that you have a system where these scholarships are tied to A levels and not to anything else and people are going to be attracted to the A levels. Maybe we will have to review the basis on which we award scholarships and bursaries based on what course of study they pursue to even out that playing field, so to speak.

Again, on the question of scholarships, I want to relate our present practice in terms of how we award scholarships to the point made by Senator Blackman about making people pay when they have to repeat a year. Most of our scholarships are won by people who repeat a year. People who do A levels and get the E's and maybe sometimes better, go back and do the A levels again and win scholarships. So, if you are going to make people in a university programme or an associate degree programme pay when they repeat a year those people who repeat the A levels should pay when they are repeating the year too. I would go further and say that they should not be awarded any scholarships. Scholarships should be for first time people. There is no great scholarship in getting an A after try, try, try again. That is no great distinction. Those people getting the A perhaps are far behind other students who the year before have gone on to the first year university. So, it is totally wrong to have people sitting in there two and three years trying to get a Barbados scholarship. We need to review scholarships for people who come through the first time and attain excellence. People who get higher grades and repeat are... First of all they should not be encouraged to repeat because they are wasting resources on that repeat year. They could go on to higher studies if they have 2 or 3 A levels and they can get into the university without having to pay any significant fees. In my mind it is absolutely wrong to encourage them to spend another year or two trying to get a scholarship to go abroad and never come back to Barbados (most of them). That is totally wrong.

With that, I would want to say once again that I would want to commend the College on its efforts.
4.25 p.m.

Just one last point. In evaluating its performance I think, again, it is wrong to judge the performance of the Community College on the fact that they won 3 or 4 Barbados Scholarships last year. If it had won all last year that is still not the point of distinction for the College. Its contribution is in the other areas where it is training people in areas where no other institution has been equipping Barbadians to that extent. Not because it won a few scholarships last year but other areas. That is the strength. That is where the Community College has to be especially commended.

Those areas relate very much to the middle rung of the areas of technical skills. Again this brings us back to the point about hands and brains. The Community College above all institutions in this country is the one about hands and brains. The University might have a bias to brains, the Polytechnic might have a bias to hands. But the Community College is bang in the middle. It must carry both forward with equal emphasis.

I thank you.

SENATOR T. C. ESTWICK: Mr. Deputy President, I hope to be – if I can use the authority of Senator Clarke – the second last speaker. I will be extremely short. I have just done a little survey in here. I have discovered that there are three past students of the Community College in this Chamber, Senators Prescod, Walkes and myself. We have been extremely happy to hear all the praise being showered on that institution. However, I will not get into the argument about whether or not it be hands, brains or whatever else. I think we are all agreed in one thing that the Community College has done the country proud. It has done us all well.

My particular concern deals with the future. If we are looking at the next century and, as Senator Fraser said, we have very few and scarce resources, the principal one being

our people, hands and brains, to put it that way, and if this country is to develop, and develop effectively and efficiently I think one of the first areas that we must look into is alternative energy sources, the wind, sun and the sea.

I am not so sure that in terms of technological development, energy from those sources can be readily applied to agricultural development whether you do it broad or high. It does not really matter to me one way or the other. But we have necessarily to look in these directions. The Community College is ideally placed and poised to put us in those directions. The Community College with the University, the Community College with the Polytechnic, the Community College with primary schools. It really does not matter.

The whole point I am trying to make, Mr. Deputy President, is that of necessity if Barbados is not to be left behind, and far behind with the technological advancements which are gripping the world, we have to move in the direction of, in my own humble opinion, solar power, wind power and wave energy.

I would urge persons with more technical bent, than myself, to push our students in those directions as quickly as humanly possible. Again, I said energy from these sources can readily be applied to our agricultural plant which is geared towards our tourism. They can readily also be applied to our transportation. We have a problem with the number of cars on the roads. I think we have to look for different ways of mass transporting this country for the next century or even the late 1990's.

I would urge our educational authorities to prompt their students down this direction. I am not saying that we should be a nation of Philistines, that is, we must forget the arts. Not at all. A thing of beauty is a joy forever. I think our students too must understand this. As has been said all evening, I would say readily the hands and brains must necessarily go together. As I said at the beginning, three of us here stand as products of the Community College. We are extremely pleased to know that the College has done so well over the years. With that, Sir, I have no hesitation at all in supporting this Resolution.

Thank you.

SENATOR THE HON. Dr. C. D. CLARKE: In winding up the second reading of this Bill I will also congratulate Senators Estwick, Walkes, Prescod and Senator Shorey who is not now in his place, but he was a former Chairman of the Board. During his chairmanship I had the pleasure to serve with him as a Member of the Board of the Community College. I believe then Senators Estwick and Walkes would have been students at the time.

Moving on to some comments made by Senator McClean, he is very confused in his mind about the programmes which exist at the Community College. The "A" Level stream is separate and distinct from the Associate Degree Programme. A student can do the "A" Level Programme and then by satisfying the full requirements... I was rather actively involved at the time we were trying to put this programme together. The student would then have to satisfy a co-curriculum programme before he could actually qualify for the Associate Degree Programme.

I believe that the University of the West Indies has, for a long time, been begging the questions. I think it came out quite clearly in Senator McClean's contribution to the debate that there was some problem between a student or anomalous situation that could develop where a student failed the "A" Level, passed the Associate Degree Programme and then going on to the University. I strongly believe and I do know that Barbados is not in a position to duplicate its efforts at the University of the West Indies, pay for it and also at the Community College. I think the time is rapidly approaching, if it is not already upon us, when we must clearly understand that we are not going to pay at two institutions for students to repeat courses between the two of them.

The same way we have been able to articulate our curricula between the Community College with other institutions in North America, I do believe that the University of the West Indies will have to come to its senses sooner or later to understand that they will have to accept these courses or Government would have to consider very seriously whether it is prepared to continue funding for that year's level of courses if it has already been offered. We cannot afford it as a developing country. I do not think so.

Senator Jones apparently seemed to have missed in his own field the Parable of the Vineyard. I think it goes something like this. I am really out of my depth there but I will venture anyway. The master of the vineyard went out into the marketplace and hired some labour. He asked how much they would work for and it was agreed to work for a penny. He told them then "Come and work for me and I would pay you a penny". Later in the evening he went back they were outside he said "Come and finish up the work here". He also paid them a penny. The people who were working all day said, "We worked for the brunt of the day, how come you are only paying us a penny?" When this institution was set up, it was not to decrease your salary. It was not at your expense. It did nothing at all with your salary scale. It was offering another institution under another set of conditions a different way. I believe if Senator Canon Jones had remembered that Parable he would not have joined the ranks of those who rebelled against it. The Parable is there for us who are not of the cloth to bear in mind.

Senator Blackman talked about the advisory committee. I think what we need to bear in mind – I heard it touched upon earlier in the debate... An advisory committee is set up and you draw upon it as you see fit. It is not set up that you will then determine how often you should meet. There seem to be a pre-occupation about meetings. We have heard it about the private sector saying that they have set up and they have not met. There is nothing particular and sacred about meetings. You are a member of the committee and if you want to draw upon your resources you are called but do not complain if you are not called upon. I really do not understand it at all. If you want to speak you have an opportunity to speak in here as much as you want every week. Do not try to inflict that on other people if they do not want to hear from you.

Senator Shorey mentioned the question about articulation of the programmes with other institutions in North America. I can assure him, I believe it is the University of Penn State that has accepted the Degree.There are other Colleges and Universities in North America which have accepted it. We will work these out. Once you have articulated your programmes there is no problem at all. That is why I think Senator McClean was begging the question of the University of the West Indies and maybe trying to secure the cheers of some people who are up there. But I do not think we need the duplication.
4.35 p.m.

Senator Brathwaite would have us turn the hands back. We are trying to prepare the Barbados Community College so that at the end of the day it could easily be the University of Barbados. When the nursing programme was taken to the Community College, it made it possible for nurses rather than being just practical people also to have academic qualifications to support them. Nurses in North America have the opportunity of earning first degree, second degree, and up to the Ph.D. Degree and other Associate Degrees for Hospital Management. I think it would be a retrogressive step to ask nurses rather than being exposed to their training in an academic institution where they can do the laboratory work or hands-on experience in the hospital sector to revert to the formative years whereby they just have the practical training but not being prepared or earning credits to take them through to baccalaureate and advanced degrees. I hope the day would not come when we would revert to that situation, but rather we will give the nurses even those who have already qualified under the old system every opportunity by exempting them from certain courses so that they can move on and work towards their degree.

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

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

On the motion of SENATOR THE HON. Dr. C. D. CLARKE, the DEPUTY PRESIDENT left the Chair and the Senate went into Committee on the Bill, SENATOR J. C. W. WICKHAM in the Chair.

COMMITTEE

Clauses 1 and 2 were called and passed.

On the motion of SENATOR THE HON. Dr. C. D. CLARKE, Mr. CHAIRMAN reported to His Honour, the DEPUTY PRESIDENT, the passing of one Bill in Committee, and Mr. DEPUTY PRESIDENT resumed the Chair and reported accordingly.

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

MAGISTRATES JURISDICTION AND PROCEDURE (AMENDMENT) BILL, 1990

Order No. 3 was called – To move the second reading of a Bill to amend the Magistrates Jurisdiction and Procedure Act, Cap. 116.

SENATOR A. MORRISON: Mr. Deputy President, the purpose of this Bill is to amend the Magistrates Jurisdiction and Procedure Act, Cap. 116 in order to improve the administration of justice by providing for the taking of a guilty plea in the absence of the accused, also by improving the provision of the airing of appeals against the decisions of Magistrates and for other related matters.

Sir, there are certain Amendments which would amend this Act and it is hoped that by amending this Act it will confer jurisdiction on the Chief Magistrate in every magisterial district, also impower the Chief Justice to delegate his administrative functions to the Chief Magistrate, and prohibiting magistrates from sentencing a person to imprisonment or imposing a disqualification on him in his absence, also for the taking of a guilty plea in relation to certain offences in the absence of the accused on notification by the accused or his attorney-at-law in the prescribed manner, providing for the withdrawal of notification of a guilty plea, providing for the tender of submissions for the purpose of mitigation of sentence, and impowering the Divisional Court to hear an appeal in the absence of a statement of the Magistrate's reason for the decision where such statement has not been made available to the appellate.

Sir, if I may in enlarging on the provisions to prohibit magistrates for sentencing to imprisonment or imposing a disqualification on him in his absence, there are certain things that the profession feels that they should be able to do under the present Act which magistrates have a different view and certain Amendments are being made in order to make the law clearer. Also, as regards appeals to the

Divisional Court, there have been several instances where magistrates have failed to write the reason for their decision. This has resulted in those appeals not being able to come on and more or less depriving the appellants to their right for justice. We know the reason why we have the Appeals Court because magistratres and judges are supposed to make mistakes at some time. They are not perfect. When material effecting your appeal is absent and where magistrates have not written their reason for a decision, the appeal cannot go forward. It is very important that people should be able to get their right share of justice. I should also like to state, Sir, that it was the Judiciary Advisory Council who has come up with these Amendments, especially regarding the magistrates so they can have the right to appeal to the Divisional Court without the reason being present and if need be to summon the magistrate to such an Appeal Court to tell him what the position is.

We welcome those Amendments and they are all in accordance with what has been suggested by the Judiciary Advisory Council. We have heard several people debating whether magistrates are entitled to certain things. My own view, Sir, is that magistrates like other persons have their own right to proper accommodation and to be able to carry out their duties in an atmosphere of peace and good accommodation. The Government has been very conscious of certain lack of proper accommodation in certain quarters. The Government already has committed itself to the building of a new Supreme Court Complex and notice has been put for the acquisition of land to site the new Supreme Court Complex. We are building a new Holetown Court and we are hoping that when that becomes operational that we will be able to handle St. Peter, St. James, and other areas around like St. Lucy.
4.45 p.m.

We have a very bad situation at St. Thomas Magistrate's Court where that is almost inhabitable by any human being at all and there is not much that can be done by way of rehabilitation or renovation in that particular court. Government has plans on stream to build a new court at Welchman Hall, St. Thomas to accommodate the people in St. Thomas.

There has been talk about the relocation of the District B court. which also is in a very bad state of repair. We have had to carry out renovations there in the meantime, because we are not yet ready to build the new court which will be sited somewhere in the Glebe, St. George which will serve St. George.

We are also very conscious of the limitations which have been placed on magistrates by way of accommodation. Each magistrate has his own idea of how he should be treated and how he should be adjusted in his Chambers. I do not have anything against that, but we believe as a Government that the magistracy plays a very important part in the administration of justice in this country. I believe that most of the litigation passes through the magistrates' courts and they have had a heavy load to contend with. We would like to think that our magistracy serves us well and until we can do better we have to be content with what the magistrates do under the circumstances under which they have had to work.

We do not make out a case that these amendments are by any means comprehensive as far as we are concerned, but we are just trying as we go along to make these adjustments in the interest of furthering better justice as we go along, but we would hope that there would be a lot of other things to be attended to as far as the Judiciary is concerned, and we will tackle those matters in due season to the benefit of the people of Barbados.

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

SENATOR Miss V. P. BRATHWAITE: Mr. Deputy President, just briefly in support of the Bill before us, Senator Morrison in his introduction recognised the physical conditions under which the magistrates in our judicial system are forced to operate. I just wish to underscore that point. I am happy to see that Government has recognised that our magistrates have to operate in some very trying circumstances.

All over the country, Sir, perhaps with the exception of the Oistins Magistrates' Court, which is a new complex, we find a situation in the magistrates' courts where policemen, the accused, lawyers and members of the public have to jostle for space inside the court buildings. Bathroom facilities are antiquated or non-existent, and to say the least, it is a depressing situation to have to work in those courts. There is poor ventilation, bad lighting, cramped seating accommodation and so on, and we have to look very seriously at significantly renovating the physical plant not only for the comfort of the magistrates but for the comfort of other persons who must work in those courts – the policemen, the accused (who must be accommodated also), members of the accused's family and so on.

I believe, Sir, that we must also expand the human resource base in the magistrates' courts. We have heard many criticisms of the magistrates, some of them to the effect that magistrates do not work a full day. I wonder if that is because after hearing cases the magistrate must then go and conduct his or her own research, write out his or her own opinions, and generally be in a position to conduct the business of the court on the following day.

I think perhaps the time has come when we need to see more magistrates being appointed to ease the burden on those that currently operate. Not only that, Sir, we need to look very seriously at providing research assistants in the magistrates' courts. Barbados must move apace with

technological advancement, and therefore it is my view that especially in the area of recording of evidence by magistrates Government should look at introducing certain pieces of technology to assist so that the magistrate does not have to sit there and take down all the evidence in longhand. It is tiresome, it is time consuming and we have to move apace in that area. It would mean the provision of funds for staff trained in the use of such equipment and the provision of the equipment itself, but to my mind it would be money well spent in that area.

With those few remarks, Sir, I wholeheartedly give my support to the Bill.

SENATOR N. W. BOXILL: Mr. Deputy President, in rising to support the Bill there are a few questions I would like to ask. Before I ask those questions, however, I would like to make a statement.

I think the time has come when we should remove a lot of these stupid pieces of legislation from the Statute Book. Only today I was talking to Senator Blackman about this, but I will show you how stupid some of these laws are. You accidentally touch a lady on her breast and she gets embarrassed and she puts you in court. You can be fined heavily for that or sent to prison. But if you beat the same woman, cuff her in the face, knock her down, give her two kicks, and throw in a butt for good measure, and you are fined $24. What sort of business is this? That is a travesty of law and it needs to be changed. I do not like to see us coming with little pieces, biting off piece now and another piece at another time. Come down with a whole thing which we can deal with.

I see you have another one which I am waiting to deal with, the Road Traffic Act. I hope I will be well when it comes, but what I would like explained to me – maybe Senator Blackman or Senator Brathwaite might be able to give me some light on this – but here on page 3 it says:

> "Section 50 of the principal Act is amended by adding thereto the following new subsections: (5) A magistrate shall not in a person's absence sentence him to imprisonment."

The question I want to ask about that is this. If the magistrate is trying this villain and he feels to abscond, are you telling me the magistrate has to wait until he gets him back there to sentence him?

Aside.

SENATOR N. W. BOXILL: Constitutional right? Nobody sent him anywhere. The magistrate did not send him out, he ran out of court, he got away. I do not want any argument, I just want it explained to me: "A magistrate shall not in a person's absence sentence him to imprisonment." If all the evidence is going against the fellow and he decides to "lam it", he goes through the eddoes, are you telling me the magistrate has to wait until they hold on to this fellow before he can sentence him? Suppose the magistrate dies before they hold this man?
4.55 p.m.

I don't agree with this. I think he should be sentenced in absentia. The magistrate didn't send him out. How do you mean no? The Attorney General set it out in a Bill. You see, this is what I would like the lawyers to understand – the lawyers don't make Law. It is we the laymen who make the Law. The Law is only interpreted. The lawyers put down what we want them to do. So, they will make their Bill and the Attorney General says this and that there, but I am saying that it is the laymen who make the Law. The Crown Law Office beat out what we want, but it is we who make the laws and I feel that if a fellow goes up before a magistrate and he takes it upon himself to run away, I don't see why the magistrate should wait until they catch up with him. Suppose they never catch up with the man and the magistrate dies. Does that mean he wouldn't get sentenced? I feel he should be sentenced in absentia. I would like it explained. That is all I am saying. I am going to support the Bill, naturally, but, you see, as a layman I want these things explained to me because I don't want to go out there and look like a fool. If somebody says, "What kind of laws you passed? The man has gone about his business". I would like it explained.

I am saying that he should be sentenced in absentia. As the old people would ask: "Are you going to lock up a ghost?" When the man goes about his business do you mean that the magistrate will have to wait until whenever the police apprehend the man again? I don't think it is right. I think you should have a second look at it. Mr. Deputy President, it doesn't look right to me.

Anyhow with those few points I have no objection to this Bill because I am no legal luminary or luminary anyhow, legal or otherwise, but I think that we have to take a second look at this.

SENATOR J. C. W. WICKHAM: Mr. Deputy President, as Senator Boxill knows, I am not a legal luminary either but it suggests to me that a person's absence may not necessarily be due to the running away. He may be ill.

SENATOR C. A. BLACKMAN: On page 7 of the Bill:

The Minister is obliged to make an Order specifying the offences to which a guilty plea may be accepted and that Order is subject to affirmative resolution.

So, what is contemplated is that offences of a nature which really are not the type somebody would be sent to jail for anyway. That's really the intention in framing it in

this way. So, the type of offences that would be the subject of the matter would be laid in an Order to be debated in Parliament. There would be a debate as to the type of matters that would be capable of taking a guilty plea in the person's absence. So, you have another chance of looking at it when that Order is made. It can't be framed either.

But, while I am on my feet, Mr. Deputy President... I didn't really plan to speak on this Bill, but there is need for consideration to be given to separating the Oistins Court from the District B Court and make them separate magisterial districts. The volume of work at the Oistins' Court is sufficient to warrant a magistrate there full time and a magistrate at District B full time. As it is, it is a shared jurisdiction and a court is not in session at Oistins when the court is in session at District B. There is not that much shortage. There may be shortage of the established posts but there are persons who would accept appointments to the Magisterial Bench if they were offered an appointment.

Furthermore, I would like to say this. There is need for a crash programme to clear up the backlog of the work of the magistracy. Quick sentencing is not the answer, because some of the matters that need determination by the Courts are not only of a criminal nature. What has happened is that the Government has passed legislation over the years in terms of unfair dismissal. A lot of severance payments go before the courts and these take time. The answer may be to declare and set up an Unfair Dismissal Tribunal and let them adjudicate these issues once and for all, but you may need to overhaul the system and even necessarily empanel courts that would sit in the evening between 5 o'clock and 10 o'clock in the evening and move to clear up the backlog of all the matters that there are. But, the point is that, as Senator Morrison said, these amendments emanate from the Judicial Advisory Council. My only query, as a Member of the Council, is why they have taken so long to come, because these things were approved by the Council more than a year ago. The drafting was done a year ago. It was done by the Members of the Council through the Chief Parliamentary Council and that 's why I wonder why it is taking so long.

In conclusion, a lot of the magistrates do an excellent job. My colleagues in the profession would say that there are only two magistrates who are a problem and it is really a little bit of an unfortunate occurrence that we are going to have to create a sledgehammer to kill two ants.

SENATOR T. C. ESTWICK: Mr. Deputy President, I rise to support this Bill and to take up where my learned friend, Senator Blackman left off. I do find it strange that in this day and age we have to approach a matter like this. Taking him at his word that there are two magistrates who are at fault by and large, why it is necessary for us, not necessarily here but us in this society and elsewhere, to walk about battering the entire magistracy as has been happening over recent times. I think, Sir, we have magistrates by and large the majority of them who are diligent, who are hardworking, who are serious, who are fair and who are professional. I don't want to call names but magistrates of the fairer sex in particular (I hear Senator Fraser's voice over there) have done yeoman service and are doing yeoman service in this country today and I do not think, Sir, in all honesty, that it is fair to savage all of them by an attack that very few of them really deserve. That is the fundamental point that I want to make. I would readily call that there be a cessation of the magistrate bashing that we have in this country at this point in time and if one or two persons are at fault then there must be ways and means, laws, rules and regulations to deal with the persons who are at fault, rather than just lumping everybody together and giving them all some lashes. I don't think it is fair to the persons who work hard.

Likewise, Sir, this Bill has also added duties to the role of the court clerks. They, too, do yeoman service in the courts and they have to be commended. Senator Blackman, quite rightly sometime ago (and I agree with him) expressed the position that these persons in particular need some specialized training because their roles have now been taken outside of the average or run-of-the mill Civil Service activity. They now play a very important part in the administartion of justice at the frontline, let me put it this way, in the magistrates courts. One of the fundamental problems too that I find in the magistracy is that some of them do not seem to understand that the way they behave to an accused person in the criminal law determines whether that person is going to come back or behave. You cannot take justice lightly at the front lines, the first point of confrontation when a young person comes before a magistrate. You can't make sport. You can't clown around with that person's freedom. We need to develop differently in this particular area because it is vitally important. The wrong step, the wrong approach, the wrong attitude at that point in time where a young offender comes before a magistrate can determine whether that person is going to be a criminal for life or whether he is going to be somebody who will be on the road to rehabilitation and be a useful citizen in this country. So, you really have to take all of these matters extremely seriously.

One of the fundamental problems that we have is that a lot of us have – I do not know whether it would be called a difficulty or problem with our own development in Barbados – but a lot of us are forgetting the role that magistrates have played historically. Magistrates have not only been persons who dealt with law and sentencing people and solving problems of a civil nature. Magistrates historically have been a high-ranking family member, a high priest, a leader within a community and that is the origin of the magistrates courts being out there in communities.

5.05 p.m.

They understand the geography of the area. They understand the particular idiosyncracies of a particular area. If we are going to locate courts we have to accept that populations have shifted in Barbados. We have to look at the best and most advantageous places to put these courts. We have to put the courts there to serve the people. People ought not to be running about looking for courts heading from here, there and everywhere to one place for courts. I cannot agree with that. I think courts must be where the people are. If people commit an offence within a particular area it is dealt with in that particular area.

Aside.

SENATOR T. C. ESTWICK: I will not let my good friend take me off my tracks, Sir. I agree with Senator Blackman. I think there need not be any problem or difficulty over a person being sentenced in their absence because what came to mind immediately is that on numerous occasions you have clients who come to you and tell you in little traffic matters for which there can most be a fine, they ask why do they have to go to court. They are going to plead guilty in any event, and other cases like indecent language where it is highly unlikely that one would be sent to Prison. I see no difficulty at all. In fact, I welcome an innovation of this type because it will save a lot of time. It will also save some people from getting dismissed when they are late for work or do not have to go to work at all.

Now, Sir, what has caused me some difficulty with this Bill is why it has not gone further in particular the amendment of section 134 to deal in clear and uncertain terms with what will the Divisional Court do with magistrates who run afoul of them. They ran afoul of the law at the old section 134 by not providing the reasons for the decision within 21 days. It seems to me here that one must infer that the Divisional Court can, at the most, hold a magistrate in contempt of that Court if he does not produce the written decisions as determined by them.

I would have preferred to see really if expressly stated some penalty regarding a magistrate running afoul of the Divisional Court and not complying. Because although as my learned friend Senator Blackman said this Bill is here because of problems. I think once there are problems those problems must be dealt with as surgically as humanly possible. I think it ought to be spelt out in no uncertain terms if the magistrate runs afoul of the direction of the Divisional Court what penalty will be hanging over his head.

Without much more, Sir, I can only say I am happy and glad that at least things have started to look positive for the magistracy and for the administration of justice in this country. On the last occasion when I spoke about the judicial centre I had called for a change in attitude towards the entire administration of justice in this country. I would only hope that a Bill of this type when passed will be, at least, a small step on that way.

Thank you, Sir.

SENATOR A. MORRISON: Mr. Deputy President, I welcome the comments by the various speakers. I can assure the last speaker that I will transmit his observation to the Attorney General for his comments. I would also like to say that with the appointment of the Chief Magistrate who is now given certain powers under the Act, the points raised by Senator Blackman where the Chief Magistrate had authority over the administration of the courts and the disposition of magistrates that we should be able to get a better distribution of Magistrates in the magisterial districts.

I know that the magisterial districts is a sore point now. It is being considered by the Attorney General because with the population shift, as mentioned by Senator Estwick, that is a very valid point. We need to know exactly when the population has shifted that when we do try to change magisterial boundaries that we would be putting those courts in the exact places where need be where the people are. People are still shifting at this stage. We would like to get a certain amount of settlement before we can have that amendment made.

We are conscious of these things. That is why we have decided to keep Boarded Hall going. We renovated the building. We could still do work there because we cannot go ahead yet with the new court at St. George. The buildings at Boarded Hall are now habitable. We can still do some work at District "B" in Boarded Hall. I know that Oistins is overworked at the moment. We appreciate those comments.

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

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

On the motion of SENATOR A. MORRISON, Mr. DEPUTY PRESIDENT left the Chair and the Senate went into Committee on the Bill SENATOR WICKHAM in the Chair.

Clauses 1 – 12 inclusive were called and passed.

On motion of SENATOR A. MORRISON, Mr. CHAIRMAN reported to His Honour, the DEPUTY PRESIDENT, the passing of one Bill in Committee and Mr. DEPUTY PRESIDENT resumed the Chair and reported accordingly.

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

5.15 p.m.

RESOLUTION TO APPROVE THE COMPULSORY ACQUISITION OF LAND FOR THE IMPROVEMENT OF HIGHWAY 2A

Order No. 4 was called – To move the passing of a Resolution to approve the compulsory acquisition of land for the improvement of Highway 2A.

SENATOR A. MORRISON: Mr. Deputy President, this Resolution deals with parcels of land at St. James and St. Peter which were acquired for the construction of Highway 2A. These notices were issued somewhere back in 1985. As a matter of fact, several of these parcels of land have already been utilized in the construction of the highway and we are now trying to put the pieces together and to complete the acquisition.

As you know, Sir, Highway 2A which now extends from Mile-And-A-Quarter to Westmoreland is almost completed and it is hoped that when the first phase is completed that there are plans to go into Phase II which would require from Warrens to Westmoreland. There are several parcels of land which for one reason or another were not fully delineated because of bad surveying or either omissions. This is now a comprehensive Resolution which deals with all those different parcels which were omitted by bad surveying or omissions and we are hoping to acquire these parcels now officially even though most of the parcels have already been used in the construction of Highway 2A.

With those remarks, Sir, I beg to move that this Resolution do now pass.

Mr. DEPUTY PRESIDENT: Senator McClean.

SENATOR A. W. A. McCLEAN: Thank you, Mr. Deputy President. I accept the explanation given by Senator Morrison that the reason for our considering this matter at this time relates to certain problems in the area of surveying and so on. But for five years it is still quite a long time to elapse between the issuing of notices of the said parcels of land mentioned and the question of finalizing the transactions. One would hope that whatever the problems were that gave rise to this will be carefully studied and the Public Service will take the necessary steps to ensure that it can raise its level of efficiency in this area.

I would want to suggest that it would perhaps be a good idea that when we have matters of land acquisition especially in the area where the price which should be paid is not disputed by the owner of the land that Parliament, in this particular case the Senate, should be given an indication as to the financial ramifications of the particular Resolutions. In other words, one welcomes information as to the sum of money involved in these acquisitions. We can apply that as a general principle. This relates specifically to Highway 2A, a project in progress. We would have welcomed some information on the progress on that particular project, the sum expended, and the sources of finances and so on. We are well aware that Government lost the initial project funds for Highway 2A because they chose to award the contract to the highest bidder and this did not meet with the funding agency – I think this was the World Bank – which had agreed to make the project funds available to Government. Quite evidently Government would have had to make alternative arrangements for funding and we would want to know what Government perceives to have been those alternative arrangements.

As it stands, it would seem that this road has been funded entirely out of the current revenues of the Government. Unless we have an indication otherwise, that is what we will have to presume. If that is so, that is not a desirable way of funding projects such as this and it would clearly have been part of the explanation for the difficulties that Government is now experiencing in the area of fiscal deficits and financing of fiscal deficits. This proposal calls to mind the matter of the award of the contract to the highest bidder at that time when there was much comment on that matter. I would say that one would have hoped that the nature of those comments would have dissuaded Government from venturing in that direction again. We have further indications of other Government agencies which are getting into the act and awarding contracts to the highest bidder for whatever kind of reasons. We are hearing things like you cannot get a Mercedes Benz at Suzuki prices and such the like.

Mr. DEPUTY PRESIDENT: Please let us confine ourselves.

SENATOR A. W. A. McCLEAN: I am saying that this particular matter of Highway 2A serves to remind us that Government has not yet moved to a position where it is especially prudent in the expenditure of Government funds and can find room to award contracts on the basis other than the economy. That is not at all to be desired and I would hope once again since there is a level of criticism in the country over this matter that Government would seek to ensure not only that Government does not go down that road but no other Government agency goes down that road of awarding contracts to the highest bidder willy-nilly. I thank you.

SENATOR J. C. W. WICKHAM: Mr. Deputy President, I realize very well that there are a number of Schedules to this Resolution. We ought to take much more

care when we are presenting these things when we have maps, charts, or plans of the lots that we are acquiring even if all are not passed around so that we see what it is we are doing.

Mr. DEPUTY PRESIDENT: Thank you, Senator Wickham and I think that the plans are now about to be duly passed around.

SENATOR A. MORRISON: Mr. Deputy President, Senator Wickham's point is very well taken. I apologize for the omission when I made the presentation. I should like to say in responding to Senator McClean's point about the costing of the various lands that it is not so easy, because once Government has invoked Sections 3 and 4 notices Government immediately takes possession and starts to do the work. At that time you do not know the cost of the land. Once Government publishes those notices, Government does not have to wait. Government goes ahead and starts the work.

As far as the cost of the road is concerned, that will have to come as a substantive question. That cost I cannot give it on my feet on the floor today because I do not have anything from the Ministry of Communications or the Ministry of Finance on this file. I am dealing with just the acquisition part of it. The road is almost completed. I think that an observation by Senator McClean might be more in keeping with the fact that at least he has given us credit for spending revenue on some kind of development. He made the point that it might be financed fully from Government funds and there is no question of squandermania now. It is a question of using those funds very wisely to provide a stretch of road which I understand the people in the North have even said that that road is far superior now to the ABC Highway. I hear that stretches from Mile-And-A-Quarter to Westmoreland. When you get on that piece of road, you do not want to come off it. The road is so good that when you get moving on that highway you think that you are on ice. I think it is money well spent and it has come from the taxpayers solely financed by the Treasury.
5.25 p.m.

I think it shows that we do not spend money carelessly but spending it to the benefit of the people of the north. When we get into Phase II you will see the real benefit of a road of that nature.

With those remarks, Sir, I beg to move that this Resolution do now pass.

The question was put to the Senate and agreed to.

ORDER NO. 5 – RESOLUTION TO APPROVE THE BORROWING BY GOVERNMENT OF AN ADDITIONAL SUM OF U.S. $850,000 FROM THE VENEZUELAN INVESTMENT FUND FOR THE PURPOSE OF ASSISTING IN FINANCING THE CONSTRUCTION OF 496 INDEPENDENT HOUSING UNITS AT HUSBANDS, ST. JAMES

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, this Resolution is just a tidying up operation. Resolution No. 29/1987, dated June 1, 1987, gave approval for the borrowing of U.S. $2 million and 7.5 million Bolivars.

Subsequent to that time the Venezuelan Bolivar has been devalued and the amount of Bolivars is now equivalent to U.S. $153, 061, down from the original 7.5 million Bolivars. In an attempt to maintain the value of the amount of money originally intended to be provided by the loan, we are now requesting permission to replace the Bolivar section of the loan with U.S. dollars. The Government of Barbados has received word that the Executive Board of the FIV, that is, the Venezuelan Investment Fund, considered the request of the Government in relation to the contract and agreed to approve the increase in the loan up to U.S. $850,000 under the same conditions as obtained under the original contract.

Some of the salient features of the original contract are that the interest rate is to be 2% per annum for the resources coming from the third economic agreement and 6% per annum for the funds coming from the fourth agreement, payable on 30th June and December. The life of the loan shall be for ten years and the amortisation schedule shall be over 21 consecutive semi-annual instalments.

As I said, this is just a mopping up and tidying up arrangement whereby we agreed in principle to obtain these funds and due to the devaluation the amounts are now less than would have obtained under the original agreement and we are asking now to make sure that we get back to the original position.

I move that this Resolution do now pass.

SENATOR C. A. BLACKMAN: Mr. Deputy President, earlier today when Senator Clarke introduced the first Resolution under the Special Loans Act, a fairly comprehensive background to the origin of the Industrial Credit Fund was given to this Chamber. I have looked at the Special Loans Act and it occurs to me, in the light of the fact that in this Session of this Parliament this is the 18th Resolution under the Special Loans Act that we are being faced with, that there should be a provision in the Special

Loans Act for an annual report to be laid in Parliament as to what has happened with respect to funds borrowed under the Act.

In 1988 this House approved under the Act a study to be done in respect of the abattoir. At no time has anyone come back and said to this Chamber whether the study has been done and what was the result of the study. Generally speaking, in terms of accountability, I think that the Act should provide a structure for a reporting mechanism to Parliament as to what happens when monies are borrowed, because they get put into the Development Bank and other institutions, but the strands are never pulled together in terms of accounting for it to Parliament, the agency that had to give approval.

For example, this Resolution speaks of the construction of 496 independent housing units, a very specific number. My question to the Minister in winding up is really, have 496 houses been constructed? Is that number fully complete? Or are there still houses in the process of construction? I think that in terms of the authority which is given under the Act far more information needs to be given to this Chamber, because when I review the pieces of loan Resolutions or guarantees which have been put before this Chamber over the past four and a half years, I reflect that except you get it as a sort of off-the-hand observation, no statement is ever laid here as to the course of the funds. Is it fully drawn down? Partly drawn down? What happens? For a Member of the Senate or Parliament to try to extract that from the Accountant General's Report or other agencies is really not what I think we should be expected to do. There should be a comprehensive statement laid in Parliament in respect of all borrowings at the end of the fiscal year following the period for which the loans are approved.

SENATOR J. S. GODDARD: Mr. Deputy President, when this loan was negotiated in 1987 it was for U.S. $2 million and 7.5 million Bolivars, which at that time was the equivalent of another U.S. $1 million, so in effect we were negotiating for U.S. $3 million to build 496 houses.

I have a difficulty sometimes understanding these big figures, but if I can break it down to the cost per house it has more meaning. At that time it was estimated that each house would cost Bds. $120,967. Because of the devaluation of the Bolivar, we can now only draw down $86,693 per house, so there is a shortfall of $34,274 on each of the 496 houses. That is the effect of the devaluation. If I may relate that in terms of currency, in 1987 7.5 Bolivars could buy U.S.$1. Today it takes 49 Bolivars to buy U.S. $1, 6.5 times more. If I relate that to Barbadian currency, the Bolivar was worth 26.6 cents in 1987, today it is worth 4 cents.

I am making these points, Sir, to highlight the effect of devaluation. Now we are going back to the Venezuelan Investment Fund and it would appear that they are going to make good the shortfall. We were expecting the equivalent of U.S. $2 million in cash, which we have got, and the equivalent of another US$1 million, or 7.5 million Bolivars, but because of devaluation those Bolivars are today only worth US$153,000, so we are going back to make up the shortfall of US$850,000.

5.35 p.m.

So, we won't be able to finance houses 100% each and every house. What impresses me about this is that the Venezuelan Investment Fund is under no obligation to make this loan to cover this shortfall. I think we need to appreciate that in providing this US$850 000 they are honouring both the letter and the spirit of the agreement and I think we should not lose sight of that. I believe this Venezuelan case is worthy of study because even though I do not know all of the reasons for the devaluation of their currency, the bolivar. I do not know whether it was an internal decision or whether it was imposed from without. I do know, however, that with the fall in oil prices since 1987, their government revenues must have been seriously affected right up until the time of the oil crisis, but the price of oil has started to go back up again.The point I am making, Sir, is that in 1987 the bolivar was worth about 26.6 cents Barbados, today it is only worth 4 cents and when we start seeing the effect that that would have on their imports and servicing of their foreign debt, it starts to bring home the reality of what a devaluation can do and has done in Venezuela and can do in any country that has to take that route. As we all know, Sir, devaluation is a political decision to deal with economic problems and it has social consequences. Devaluation of a currency is a measure of last resort to restore competitiveness. It is not a matter to be discussed loosely or to be decided upon lightly and it is certainly no substitute for sound management of an economy. I would urge each member here, Sir, to study this Venezuelan case carefully.

I thank you.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, the sobering comments of Senator Goddard. I am on my feet.

Mr. DEPUTY PRESIDENT: Oh, I did not see you Senator McClean. I didn't see you. I am sorry. Senator McClean.

SENATOR A. W. A. McCLEAN: Thank you, Mr. Deputy President. There are one or two questions I would like to direct to the Honourable Senator Clarke relating to the matter. The question is whether there is any drawdown in relation to the loan in question which suffered from the devaluation of the bolivar and when that took place. The computation which we see here seems to relate to a computation based on drawing down the whole thing subsequent to the devaluation to its present level. If there

was some partial drawdown prior to that the arithmetic should come out a little differently. Again, in relation to the contract with the Inversiones, whether that was denominated in bolivars, US dollars or Barbadian dollars or a combination of both or of two or three of those things and if it was other than the Barbadian dollars, if it was in any way involved with bolivars, what difference did that make in terms of making translation prior and subsequent to the devaluation into Barbadian dollars.

I would just simply content myself with asking those questions. I won't try to go into discourse on other matters pertaining to housing at this stage. I thank you.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, I really don't concern myself with the arithmetic. I assume that the technocrats really work that out and we more or less direct our attention towards the policies on these matters. So, I really can't answer specifically. I assume that the arithmetic is done by competent people and there are sufficient aids to arrive at the answer.

In terms of Senator Goddard's concern this Government and the Minister of Finance has made it abundantly clear that it has no intentions of devaluing the Barbados currency. There is nothing to be gained from devaluation for Barbados. Barbados is an importer of nearly everything it consumes. What will happen is that by the time we devalue immediately we will have a problem with the debt service. This goes up immediately. The cost of living rises immediately and before you can even speak to anybody to give you whatever loans they had promised – you are talking about a year or two years out – by which time the situation has worsened considerably over that point and you need a further devaluation. So it is not on the cards under this Government and I want to make this abundantly clear. It is not on the cards and cannot be under the cards. I would wish that people would stop talking about it. It makes no sense economically or otherwise to devalue the currency and we, who are people who understand the ramifications... You keep passing this nonsense around only to confuse people.

Mr. Deputy President, Sir, I move that this Resolution do now pass.

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

ADJOURNMENT

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, Sir, we have come to the end of Government Business for the day and I would move that the Chamber adjourn until Wednesday 28th November 1990 unless other matters intervene.

The question that the Senate be adjourned until Wednesday 28th November 1990 was put and agreed to, and Mr. DEPUTY PRESIDENT adjourned the Senate accordingly.

5.45 p.m.

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