
THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1991 - 96

THE SENATE

Wednesday, September 4, 1991

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, September 4, 1991, at 11.15 a.m.

PRESENT

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

Senator the Honourable L. V. H. LEWIS (Minister of Agriculture, Food and Fisheries) (Leader of the Senate);

Senator A. MORRISON;

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

Senator the Honourable Dr. C. D. CLARKE (Minister of Trade, Industry and Commerce);

Senator Dr. Frank W. ALLEYNE;

Senator Miss Y. V. WALKES;

Senator Mrs. M. BARKER-WELCH;

Senator Dr. E. A. SIMMONS;

Senator Mrs. Ada STRAUGHN, G.C.M.;

Senator Mrs. M. WALCOTT;

Senator W. LeRoy INNISS;

Senator the Rev. Canon J. L. SPRINGER;

Senator J. A. F. COLE;

Senator T. E. BARKER

Senator Miss M. A. MOTTLEY.

Prayers were led by Fr. Errington Massiah.

Mr. ACTING PRESIDENT: The Senate is in session.

PRESENTATION OF PAPERS

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

1. The Water and Sewerage Rates (Amendment) Regulations, 1991
2. The Customs (Amendment)(No.2) Regulations, 1991
3. The Animal (Disease and Importation Control) (Amendment) Regulations, 1991.

SUSPENSION OF STANDING ORDER

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, I beg to move the suspension of Standing Order 45(2) to enable us to deal with two Bills that are on today's Order Paper in their entirety.

The question was put to the Senate and agreed to.

APPOINTMENT OF ACTING DEPUTY PRESIDENT

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, in order to facilitate our business today, I beg to move that Senator the Rev. Canon Jimmy Springer be appointed to act as Deputy President for today's sitting.

The question was put to the Senate and agreed to.

FIRST READING OF BILLS

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, I beg to move the First Reading of a Bill entitled an Act to grant an additional sum of money out of the

Consolidated Fund and appropriate the same for the service of the island for the financial year ended 31st March, 1991.

The question was put to the Senate and agreed to.

SENATOR THE HON. L. V. H. LEWIS: I wish also to move the First Reading of another Bill entitled an Act to amend the Immigration Act.

The question was put to the Senate and agreed to.

PUBLIC BUSINESS

ORDER NO. 4 - THE FINAL APPROPRIATION BILL, 1991

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Acting President, in March of 1990 this Chamber debated the Appropriation Bill for the financial year 1990-91. At that time the Estimates of Expenditure, upon the passing of the Appropriation Bill, became the approved Estimates. The Estimates formed part of the Schedule to the Appropriation Bill at that time.

During the financial year April 1, 1990 to March 31, 1991 it was necessary to seek additional provision in the Other Place to conduct the people's business. As a result, supplementary provision totalling \$91,170,535 was passed to supplement the approved Estimates. These would give rise to the Revised Estimates for the year 1990-91.

Full debate has already taken place on the supplementary provision. Section 109(5) of the Constitution requires, and I quote:

"In respect of all supplementary expenditure voted on by the House of Assembly in pursuance of subsection (4), the Minister responsible for finance may, at any time before the end of the financial year, introduce into the House of Assembly a Supplementary Appropriation Bill containing, under appropriate heads, the aggregate sums so voted, and shall, as soon as possible after the end of each financial year, introduce into the House of Assembly a final Appropriation Bill containing any such sums which have not yet been included in any Appropriation Bill."

The measure which we have before us today is to give effect to this constitutional provision. I have mentioned that the funds allocated under supplementary provisions totalling \$91,170,535 and the major items have already been approved, voted upon in the other Chamber and expended. Just for the record, when we discussed the Appropriation Bill in March, 1990 we did take notice of the Schedule thereto, that is, the Estimates of Expenditure, and the major items for which supplementary provision was

sought are as follows: Head 19, Subhead 13, which is a Head of the Ministry of Finance and Economic Affairs, we had provision of \$10,500,000 and \$1,500,000 respectively. These sums were required to meet increases payable to Public Officers and staff of Statutory Boards.
11.25 a.m.

Under Head 34, subhead 10, the Ministry of Education and Culture, these are the current expenditures: we have the sum of \$5,725,607 voted upon and these funds were required to meet commitments to the University of the West Indies.

Under Head 36, subhead 16, the Ministry of Health, the sum of \$3,832,846 was provided because the original allocation proved inadequate. In addition under subhead 17 under the same Ministry the sum of \$4,099,131 was provided to finance or pay for the increase of staff of the new departments established as part of the Queen Elizabeth expansion project.

Under the Ministry of Employment, Labour Relations and Community Development, Head 39, subhead 8, the sum of \$1,800,000 was provided to augment welfare grants. In addition under the same Head, subhead 12, an additional sum of \$1,436,012 was provided for supplies and materials to maintain property, to provide retiring benefits and foster care and to purchase furniture and equipment. Under subhead 15, of that same Ministry, the sum of \$5,136,876 was provided to pay salaries and wages and arrears in National Insurance Contributions for the balance of the financial year 1990-91.

Under Head 42, Transport and Works, subhead 6, the sum of \$1,300,000 was provided for the maintenance of roads, car parks and upgrading bus stands.

These are the major items for which supplementary provision was sought under current expenditures.

Turning to the capital expenditures, under Education, Head 76, the following provisions were made: for primary schools, the sum of \$4,948,499 was provided; for secondary schools, excluding the St. Thomas Secondary School which had its own supplementary provision of \$4,359,770, other secondary schools received a supplementary provision of \$1,952,245, and tertiary and other training institutions received \$7,400,217.

Under Health, we have the St. Joseph Hospital receiving the sum of \$2,804,968 to meet outstanding commitments. Under Head 79, subhead 8, the sum of \$1,050,000 was provided for the National Housing Corporation.

Under the Ministry of Trade there was a supplementary provision of \$5.5 million and this was sought to provide additional factory space for a company

that has been expanding rather rapidly in Barbados. As a matter of fact, that company today is employing well over 850 Barbadians at fairly high-level jobs.

Under Transport, Head 84, supplementary provision totalling \$1,591,000 was provided to purchase equipment and in addition a sum of \$2,629,111 was provided to complete payment and interest charges incurred under the terms of the contract between Sintra and the Government and this dealt with the Airport/West Coast Highway. In addition, under subhead 8, tenantry and subsidiary roads received \$3 million. Under subhead 24 under the same Ministry, the Scotland District received the sum of \$2,150,000. The Barbados Water Authority received \$2,500,000 to meet the cost of in-house plumbing installation programme which provides and/or grants to low-income groups and for residential and/or commercial on-lending to persons and agencies who do not qualify under the above-mentioned programme.

Under Head 85, Tourism, there was a supplementary provision of \$3,547,154 and these funds were required to facilitate further draw down of the Chinese loan for the construction of the gymnasium and to meet certain contractual obligations associated with the gymnasium project.

As I said at the outset, these funds were already voted upon, the funds have already been expended, debate has taken place in the other place and this is just to regularise the requirements under the terms of the Constitution which I alluded to earlier. It is a matter of housekeeping and it is not normal for the final Appropriation Bill to evoke any lengthy debate. With those few comments, Mr. Acting President, I move that the final Appropriation Bill which I understand, Sir, has been certified as a money bill to be read a second time.

SENATOR Miss M. A. MOTTLEY: Yes, Sir, I wish to make a few comments on this Bill before it goes through. This relates to the whole question of the level of supplementals that have come before this Government in the last few years and one is deeply concerned that perhaps the whole purpose of the estimates is being defeated when we have a large percentage of supplementals coming before the House on occasions after the approved estimates of expenditure and revenue for the year have been passed. Sir, it conveys to one an impression that there seems to be a lack of proper planning on the part of those who are charged with that responsibility and therefore we find ourselves being unable to plan appropriately for these occasions. This concerns me, Sir, even more so, given the fact that within the last few years the whole question of Government's finances has become even more critical and indeed, far more attention is being paid to it, given the fact that there seems to be a problem resulting from excessive Government expenditure and this excessive Government expenditure results not only from those figures approved in

the estimates of the year but indeed, from these supplementals which in some cases approach – I believe the figures for this one approach \$91 million and that is roughly ten percent of the approved expenditure for the year in question.

When we start to go over ten percent in terms of what we planned – indeed, Sir, if it were a business – the Board of Directors, Sir, and the shareholders would be greatly concerned as to the lack of proper planning which resulted in the need to come back to these figures.
11.35 a.m.

It also, Sir, raises the question of the practice of this Government's excessive spending. Indeed, we hear now, Sir, in the last few months that a lot of the problems that Barbados finds itself in these days, Sir, results from the fiscal deficit and the balance of payments deficit. Indeed the fiscal deficit results primarily from Government's expenditure and I would venture to say, excessive expenditure, in its inability to curb what is unnecessary, given the current state of the economy, Sir. This has all resulted in a great deal of concern as to the standard of living that we have in Barbados now, and that we hope to keep and maintain, Sir.

We are being told by various quarters, from the Prime Minister back down, Sir, that as a result of the excessive Government spending we now find ourselves having to face an entry into a programme with the IMF. Indeed, Sir, whatever the results, for example the negotiations that are taking place with the Unions and the Government in relation to the bonds for offer and indeed in relation to other cuts that have already taken place within various Government Departments, already this year, Sir, we, on this side, wish to make the charge that despite repeated calls over the last four to five years for Government to curb its expenditure, we saw not only, excessive expenditure coming during the Estimates but we saw a whole host of supplementals, in this case totalling an amount of almost ten per cent of the approved Budget for the year. Despite these calls, this Government refused to heed to it and have found themselves in the position today where we are now going, Sir, cap in hand, not in a strong negotiating position, but cap in hand to seek assistance to get ourselves out of this position.

In respect of the cause for the excessive spending, one well remembers that in the other place, Sir, when these calls and charges were made, Members of the Government saying, if this is squandermania, then I hope the Government continues to squander. We heard a response from the present Minister of State in the Ministry of Finance who said that they would continue to spend as much as was necessary to help the poor black man in Barbados, Sir. But, look at it, Sir, who is it that is facing now the burden of carrying the load of the problems the present economic crisis in Barbados as a result, according

to the Prime Minister, of the fiscal deficit and the balance of payments deficit? Who is it now that is being required to carry that load? None other than the same poor, black, Barbadian, Sir.

When we look at the proposed plan, by this Government, to get us through this period, we will see the Prime Minister said he would have introduced the plan to us over three speeches, Sir. The three speeches have come and they have gone, Sir, and all we have heard in the three speeches is a proposal for bonds to be issued to public servants to satisfy the sum of \$26 million to reduce Government's expenditure in its wages bill, Sir. Given that, Sir, it shows that there is a distinct reliance on placing the burden on the workers within the public sector, the majority of whom are, or can be classified, within people who are working within limited budgets and, indeed, one would venture to say the majority of them are black Barbadians and the majority of them are carrying the burden, Sir.

We contend on this side, Sir, that it is not possible for the Prime Minister to solve the present economic crisis in Barbados by placing a programme in place that is excessively weighted in favour of a reduction in labour costs and then to turn around, to ask the same people to increase their productivity, Sir. It is not fair on them and it is not possible and it is not necessary.

If we look at other elements of Government's expenditure we have contended for a long time that there are areas of Government expenditures that can be trimmed and trimmed quite easily, Sir. We still see a Ministry of Education complex being built and going on in Constitution Road and it appears as though the sum to be spent on that project is somewhere in the region of \$15 million. I don't want to be quoted on a direct figure but it is in that region.

There is, Sir, the Caribbean Broadcasting Corporation that continues to operate at a deficit and to be subsidised by this Government, Sir. The figures that were being quoted earlier this year and late last year range from \$400 000 to \$500 000 a month, Sir. That is \$6 million a year and that is not taking into account other Budgetary provisions that are made by Government for the running of that Organisation. What is that all in the face of – going into an organisation that a Government appointed Commission, it is said, has already stated that to keep the same Board who is present at CBC at the moment would be a retrogressive act, Sir. Sir, we maintain that if government were to deal with the statutory organisations in terms of trimming those that need to be trimmed in terms of their expenditure – I am not talking about people now. I see Senator Clarke looking eagerly, but I am not talking about people – and in terms, Sir, of dispensing with organisations that there is no need for a Government at this stage to maintain an interest in, although there might have been an initial need for developmental purposes, since the private sector would

have been unwilling to embark on those areas at that particular point in time.

We maintain, Sir, that Government, for example, at the same CBC can still have access to its time through the provision of licences, but yet absolve itself from the financial responsibility of maintaining the Caribbean Broadcasting Corporation, particularly when it has a Board that a Government appointed commission says to keep it is retrogressive, Sir, and in the face of subsidising CBC to the point of \$5 million to \$6 million a year, in addition then to the other budgetary provisions, when at a time you are asking public servants in this country to consider, either a wage cut or to consider bonds for – I don't even know what to call it, Sir, because the concept is so ridiculous, Sir. To look at them and tell them that for the first five years they can't receive any interest, and for the second five years, the rate of interest payable, is five per cent instead of $7\frac{1}{2}$ per cent, at least. The rate of interest the Government has proposed to pay in the second five years is 5 per cent.

I really am quite disturbed here this morning and I know that when I finish speaking I am going to hear that no one expected anybody to speak on this Bill, Sir, but I think that the fact of the present state of conditions of Barbados now, where there seems to be a reluctance to discuss what is going on in the economy and given the grave and deep concern of the majority of citizens of this country, Sir, I sought advice, this morning, as to whether I would be breaching a convention on speaking upon this Bill. I was advised by the officers of Parliament that there was no such convention.

Sir, I find myself constrained, this morning, because for the last three to four months, if one sees what is being debated in the other place, Sir. Debate on an economy in crisis is being given second place to debates on public latrines, to debates on public baths to debates on ...

SENATOR THE HON. DR. C. D. CLARKE: On a point of order, Sir. Just to remind the Chairman, Sir, we are dealing with the Final Appropriation Bill 1990-1991 and we are ranging all over. I hope we can keep the debate tied down.
11.45 a.m.

Mr. ACTING PRESIDENT: All right. Will you continue, Senator Mottley?

SENATOR Miss M. A. MOTTLEY: Yes, Sir, I will continue. Thank you, Sir. I was saying that when, for example, we have problems arising as a result of excessive expenditure coming out of a number of supplementals on the part of Government, Sir, which have led to structural problems within the economy, we therefore are amazed that there is a reluctance to debate matters of the gravest concern relating to the economy and the standard of living

in the Other Place, Sir, and indeed to debate it with the full population of this country and not in areas of limited interest groups like the George Street Auditorium and Solidarity House.

Sir, when we look at the fact that Government has the opportunity to trim its expenditure from its statutory corporations, we are not talking about institutions like the Child Care Board and the Welfare Board. I do not want any ridiculous allegations to be made against this side, Sir, that we are supporting that because we are not. We believe that unless you maintain a strong social sector and provide strong social services there will be those in the society who will never be able to afford them. If one is asking for increased productivity, it is essential that they be entitled to decent social welfare provisions whether in education, health, or whatever.

Sir, look at it. We hear the constant call from the Prime Minister. Yes, the wages bill is 50 per cent of Government's expenditure. What about the same Ministry of Education Complex for fifteen million dollars? What about CBC? What about other areas where Government has continued to spend money? What about travel for Government officers, Sir? I am not saying that they must not travel because they must do the country's business. But they travel in excessive numbers and they travel in first class and staying at four star and five star hotels, Sir. I see provisions here for the Cabinet Office for \$825,000 for General Administration, conferences, and delegations through people coming here. But the point is that we hear about a proposed trip to Zimbabwe and we hear numbers being called of 17 to 20 people. I hope it is not true and I know that the Prime Minister in all conscience, Sir, would not carry 20 people at a time like this when he is asking public servants to cut back who are struggling to meet their budget on their wages.

Mr. ACTING PRESIDENT: Senator Mottley, please confine yourself to the matter under the Final Appropriation Bill. It is pure speculation about what may happen and what somebody may take to a conference. It is pure speculation. Please confine yourself to the subject matter.

SENATOR Miss M. A. MOTTLEY: Sir, I am not speculating.

Mr. ACTING PRESIDENT: You are not speculating. Well, do you know that to be a fact?

SENATOR Miss M. A. MOTTLEY: Sir, I will go back to the Schedule - Part I, Head 15 Cabinet Office. I maintain that there are areas like these. Sir, whether they come in the supplementals or whether they come in under the Estimates for the year, these are the areas that this Government must look at trimming instead of asking a labour force in the public sector to cut back wages that are

already tightly budgeted for and that have already been assaulted by an increase of 2 points in mortgage rates, 1.5 per cent stabilisation tax, an increase in water rates and electricity rates. For those who have to catch the bus, I hope there will not be an increase in the bus fares too.

Mr. ACTING PRESIDENT: Senator Mottley, that does not in any way come within the confines of this Bill. Will you please confine yourself to the subject matter?

SENATOR Miss M. A. MOTTLEY: Sir, I am relating this to Government's expenditure. Sir, we cannot talk about Government's expenditure unless one can talk of the effects of Government's expenditure. On the words of the Prime Minister of this country, no less a person, this has resulted in a problem in Barbados where we have not been able or we find it difficult, Sir, to raise money on the capital market overseas and have found ourselves now going to the IMF who will impose conditions. After the IMF, we are going to have to deal with the IDB and the World Bank. I hope, Sir, that when we deal with them again, which is as a result also from the same excessive Government spending, that the unions and everybody else in Barbados understand that they too will want to impose their conditions upon this Government's spending and programmes. If we feel that when we are finished with dealing with the IMF that it is all over, we have to think again. I hope that people will wake up from that false thought, Sir, because the IDB and the World Bank are as concerned about Government's excessive expenditure as the IMF. I hope that message will go to everyone loud and clear.

Sir, I go back to the original point that no serious effort is being made to see how it is that Government can continue to spend in areas excessively. They have no direct productive benefit to the earning of foreign exchange in this country, Sir. I draw reference to the Ministry of Education Complex especially when there are other buildings around Bridgetown and property owned by Government which for the moment can be used. I am not saying that the staff in the Ministry of Education should be deprived of proper facilities.

Mr. ACTING PRESIDENT: Senator Mottley, this is the third time that you have made reference to that subject. You are not supposed to be engaging in tedious repetition. Would you please go on to something else?

SENATOR Miss M. A. MOTTLEY: Sir, instead of the Ministry of Education Complex at Constitution Road, I will talk about the Harrison Building on Broad Street then. Excessive Government's expenditure, Sir...

SENATOR THE HON. L. V. H. LEWIS: On a point of order, Sir. Surely, Senator Mottley understands that a statutory body like the Barbados National Bank has absolutely nothing to do with Government's expenditure. If

she does not know that, I think she should find out and not take pot-shots at agencies which have nothing to do with this Appropriation Bill. No money is ever appropriated for the Barbados National Bank.

SENATOR Miss M. A. MOTTLEY: Sir, I take the point of the Honourable Senator except that I hope and wish that one day we will be able to convince the public of Barbados that that is not part of Government's expenditure in some form or fashion and not as a result of the correction from the Minister of Finance who is charged with the responsibility of Government's finances.

Nevertheless, Sir, let us talk about the St. Joseph Hospital. Let us talk about the fact that the \$2 million has already been expended and that salaries to the tune of \$65,000 a month are being paid for a hospital that has not opened. Let us talk about the fact that you want to turn around and ask the policemen, teachers, and nurses to take a 10 per cent cut, Sir, because you want to reduce Government's expenditure. Let us talk about the fact that 48 people have gone home from the IDC this year already and that their current account budget has been cut from \$5 million to \$3 million. Let us talk about the fact that our construction work at IDC is almost coming to a halt because of the cut in the capital budget. I know that is unfortunate because Senator Clarke wanted a chance, I believe, to put Barbados' trade position in a far better position than it was left by his predecessor who presided over a reduction from \$496 million in exports earned to \$248 million. Sir, I have confidence at least that Senator Clarke would have been able to do a far better job than his predecessor given his understanding for the telecommunications, information, and entertainment sectors which can become viable productive sectors in this country.

Sir, I am dismayed and hurt to see all of this while people are receiving salaries up to \$65,000 a month from a hospital that has not opened yet. I am saying that not only is there excessive Government expenditure, but there is a bad priority in the way the money is being spent.
11.55 a.m.

That example is now being shown in Government's readiness to attack the first man possible, that is, the Public Servant in this country. I am not on a fixed salary and I can hardly afford the increase in mortgage rates, I can hardly afford 1.5% Stabilisation Tax and the increase in other rates which have taken place, like water rates and electricity. What about those who are on fixed rates? What about those single women? I see Senator Fraser urging me on to make the point, by her face, Sir....

SENATOR Mrs. V. C. FRASER: I beg your pardon, Sir, I am not urging anybody to make any point.

Mr. ACTING PRESIDENT: Thank you for defending yourself, Senator Fraser.

SENATOR Miss M. A. MOTTLEY: I am so sorry that by the look on her face....

Mr. ACTING PRESIDENT: I am sorry that you misread Senator Fraser.

SENATOR Miss M. A. MOTTLEY: I am so sorry, Sir, but it brought back an image immediately that I must make the point that 70% of the children in this country are born to single parents. When we look at the figures on mortgages it will be seen that the majority of mortgages are now being obtained by single women.

Mr. ACTING PRESIDENT: What has this got to do with the Final Appropriation Bill?

SENATOR Miss M. A. MOTTLEY: Because, Sir, it relates to the wages that single women in the public sector earn from Government's expenditure.

Mr. ACTING PRESIDENT: Will you try and confine yourself to the matter in hand?

SENATOR Miss M. A. MOTTLEY: I am confining myself and I am indeed grateful to you, Sir.

Mr. ACTING PRESIDENT: All right. Proceed.

SENATOR Miss M. A. MOTTLEY: Sir, there are a number of single women who work in Government and who receive wages from Government. To subject them to a 10% cut in their salaries is unconscionable, because they have no other source....

Mr. ACTING PRESIDENT: Senator Mottley, that is not in the Final Appropriation Bill at all, as I said just a little while ago.

SENATOR Miss M. A. MOTTLEY: Sir, I maintain that there have been single women who have received money from Government for services rendered and therefore I will continue to make the point that in the excessive Government spending it is wrong to cut them before cutting St. Joseph Hospital. Arrears of salaries under the Ministry of Finance and Economic Affairs, Head 19, \$10,500,000. That is in the Final Appropriation Bill, and I am making the point that it is wrong to ask those single women in there who may be receiving arrears of salaries to bear the burden of a cut, when we can easily deal with the money that is being spent in areas like St. Joseph Hospital unnecessarily and the Ministry of Education complex.

Mr. ACTING PRESIDENT: That is the fourth time you have said that, which is just repetition.

SENATOR Miss M. A. MOTTLEY: Sir, it is so appalling....

Mr. ACTING PRESIDENT: No, no. You will take your seat while I speak. This is the fourth time and there is no reason for you to be engaging in this tedious repetition, so will you move on to something other than the St. Joseph Hospital? If you have nothing further to say, the best thing to do is to sit.

SENATOR Miss M. A. MOTTLEY: Sir, I wish I could oblige the Senate with that, but unfortunately....

Mr. ACTING PRESIDENT: All right. Carry on with your debate, but with another point. I will not have you being repetitious.

SENATOR Miss M. A. MOTTLEY: Sir, I just remembered Sherbourne.

Mr. ACTING PRESIDENT: Which you have already mentioned.

SENATOR Miss M. A. MOTTLEY: No, Sir. With all due respect to the Chair, I have not mentioned Sherbourne in here this morning. I mentioned the Ministry of Education, I mentioned St. Joseph's....

Mr. ACTING PRESIDENT: Will you proceed? I am not asking you to repeat what you have already said.

SENATOR Miss M. A. MOTTLEY: Sir, I wish now to deal with the Government's expenditure on Sherbourne and the rusting steel which is standing up there in Two Mile Hill, because apart from spending excessively on something that we do not know what it is about, because we have heard so many purposes for it, we have now stopped the spending because there is no more money to deal with it, I assume, Sir, or there is an unwillingness to deal with it, whichever, and in the meantime the exposed steel is being left there to rust. When, therefore, one has to come back to it that is more Government expenditure to get it right so that it will not be structurally unsafe when it is completed, and all the time they are asking Public Servants to cut 10%.

Sir, it cannot be fair to come to this Chamber and ask us to approve the Final Appropriation Bill which condones these kinds of measures. It is squandermania and I dare anyone to hear the call again about squandering me, or continue with the squandermania, because we now see where it has put us. What is even more dismaying is that by not properly prioritising your spending as well, the productive sectors continue to be neglected in this country. The truth is that you not only need to curb your spending, but unless your productive sectors are earning the foreign exchange you need, you cannot get Barbados out of the problem that it presently finds itself in. You can cut as much as you like, but unless you prioritise your spending and your measures properly to generate sufficient activity within the productive sectors, there is no saving us unless

we earn foreign exchange from goods and services in this country.

It is unfortunate, it is dismaying, and indeed it is bewildering that we have not heard the plans of this Government for the productive sectors and its spending within the productive sectors to help us get out of this present crisis. That is what the public of this country means, Sir, when it says it is concerned that it is not being given information on a continuous and full level.

Aside.

SENATOR Miss M. A. MOTTLEY: You could have made that allegation...

Mr. ACTING PRESIDENT: Senator Mottley, will you please address the Chair?

SENATOR Miss M. A. MOTTLEY: I am indeed grateful, Sir. An allegation such as the Barbados Labour Party knowing about expenditure could have been made three or four years ago, but this Government has been in power for five and a half years and they soon will not be able to blame anybody but themselves, as the Latin would say, *inter se*. The blame will all be *inter se*. Nevertheless, the point is that it is a serious problem we are dealing with and I am concerned, as a young person, that if we do not deal in the appropriate manner with the current problems resulting from our excessive Government spending and our failure to earn foreign exchange, people of my generation and indeed the generation to follow will have a long and hard time in this country, and the standard of living enjoyed by many of my colleagues in here in their younger years will not be available to those of my age and younger unless we can get these matters under control.

I am deeply concerned, Sir, because it means that opportunities open to people of my generation and those to come are now somewhat limited. This is why we say that Government not only must cut its spending, but must cut it in a humane way and prioritise it properly.

I wish to say that Government's main concern at this point should be not to put an excessive burden on labour in the reduction of its expenditure, because 17,000 Public Servants are a substantial percentage of people in this country, particularly when most of them will have their own families, with four or five people to support within a family structure and that they should not bear the burden of a cut in Government spending, especially when we are going to ask them to increase productivity and especially when Government then takes its limited resources and spends it in the much needed area of the productive sectors. 12.05 p.m.

As I have said, unless we can tie the earning of foreign exchange with a reduction in Government

expenditure, we are going nowhere. I urge upon this Government, Sir, to have a conscience when dealing with the cutting of its expenditure. Let us look at the areas which truly can be cut. Let us look at the areas which need not be performed by Government agencies and therefore are taking valuable and limited Government resources.

I want to make a slight point here, Sir. When Government is trying to deal with its Government expenditure and trying to curb the expenditure of everybody else, let us remember, Sir, a credit squeeze was put in place from October 1989 and in the period of 1990 credit to the private and distributive sectors dropped by \$5 million but credit to Government, money which they would have used to spend increased by \$100 million. So, while it was telling the rest of the country to curb their expenditure and tighten their belts Government's borrowing and expenditure increased significantly and this is being done in the context now of coming to ask people to bear a burden that they should not be made to bear because they cannot bear it.

In the context of all of that, Sir, we look at Government's policy and its excessive reliance on indirect taxation and the fact that that excessive reliance on indirect taxation, while pursuing a policy to dampen credit in the private sector, resulted in a significant drop in revenue to Government through the consumption tax, giving Government therefore less money to spend despite the fact that it had approved it before. Therefore, although they committed themselves to spending the money the revenue did not come in because of that excessive reliance on indirect taxation. The fiscal deficit worsened and hence the reason for the present draconian and drastic cuts within Government's expenditure now.

I make all these points here this morning and I know as I said...

Aside.

SENATOR Miss M. A. MOTTLEY: I do not make noise. I make points. I know that I am voicing the concern of thousands of Barbadians who are begging to be given due consideration in Government's programme and not just to be subject to a programme that is imposed to achieve an end, especially they were not to blame except perhaps for believing certain statements that were made in January that everything was good and everything was all right.

Sir, it is a plea in the dark that I make this morning. I make it hoping that somewhere along the lines somebody will hear it and somebody will consider that there are other ways to trim Government's expenditure. There are ways of doing it with a caring hand and with conscience. There are ways of doing it that can still put Barbados back on a strong economic footing while at the same time dealing with its problems now in a manner that is less draconian

and less inhumane. I hope that that call will be heeded, if not by Government, by those people outside who will understand that unless this Government is prepared to deal with them in a proper manner in terms of Government expenditure and wages, there is no hope for them in the next few years to make something of their lives and opportunities.

I hope, Sir, that it will also urge upon this Government the need to be full and frank with the population of this country in relation to expenditure and in relation to its other economic policies and I hope that it will urge the Prime Minister to make a statement to the country as to how he proposes to deal with the productive sectors so that his efforts in trimming Government expenditure will not be in vain. Unless he deals with the problem of earning foreign exchange, getting our foreign reserves back up to the levels of \$300 million or \$400 million, his efforts in relation to cutting Government expenditure now will all be in vain.

I ask, Sir, and I hope that this message reaches whom it needs to reach and that due consideration be given to the rest of the population of this country and not just those who may happen to frequent George Street or Solidarity House or other places of that nature.

With those few words, Sir, I find it impossible on this side to support the final Appropriation Bill, although we know the money has already been spent. Then, again, we are facing the consequences of this Bill and we feel the bite beginning to take root on us all. I continue to make this plea on behalf of all young people in this country and indeed, on behalf of all single women in this country who have grave difficulties in making ends meet as it is. In these circumstances, I wish not to give my support to the final Appropriation Bill.

SENATOR Dr. E. A. SIMMONS: Mr. Acting President, I rise to support this Bill and I could not but sit and listen to a discussion that was more coloured by politics than by reason.

I know that it was said that we normally do not have debate on a Bill such as this, but there were certain comments that were made that I think we need to set the record straight. The last Senator made some very glaring statements and I want to let us be sober for a while and examine the situation that we have before us. We are in a country that has one of the best standards of living on the planet earth – a small developing country. While around us, major economies are undergoing tremendous stress. In the United States, Canada, and in England, governments at the federal level at the state level are taking serious action with cutbacks in employment to federal and state employees, therefore making the whole economic situation of the world rather difficult.

Where I thought the Senator was absolutely irrational is when at one time there was a call to run Government like private business – Government is not a private business – and at the same time asking to be humane to poor people. In a private business it is expeditious and it is financially expedient when things get hard that the workers are first to suffer. Government can never operate at that level. Therefore, if there is a call that Government operate like a private business so that at the end of the day all you reckon is the bottom line and make sure that it is read, then under those circumstances it is precisely the masses of people who will become unemployed.

Let me say this in an aside. The last Senator and that side should be the very last set of people in this country to talk about dialogue before going to the IMF. It is the history of this country that in 1981-82 the Barbados Labour Party went to the IMF. Was there dialogue in this country? Not even the Members of the Cabinet in the Barbados Labour Party knew that the then attache to the Minister of Finance and the Minister of Finance himself had negotiated, put conditions in place in this country and signed on the dotted line. What we have in Barbados today is true dialogue. Dialogue with the people; dialogue with the unions and dialogue at all levels in this country because this is what democracy is all about.

Mr. ACTING PRESIDENT: Senator Barker, will you stop that cross-talk?

SENATOR Dr. E. A. SIMMONS: I am going to say this. In few countries in the whole world where the IMF has come in has there been the kind of dialogue that is taking place in Barbados. This is a tribute to the level of leadership, whether it occurs at George Street, at Solidarity House, in the Parliament or Independence Square. The point is that the last time the IMF came in here nobody knew, not even the Members of Parliament. So, there are people who when it comes to that point of view should be quiet and should not say a single word on that particular issue.

I want to go on to another issue. There is a position... Now, we know everybody agrees – I don't think there is anybody in Barbados who disagrees – that Barbados must borrow foreign exchange. We know that when you go to a bank there are certain conditions that you have to meet. The question is, what are those conditions? One of the conditions is that you must cut the wage bill. How do you cut the wage bill? There is a proposal that workers take a ten per cent cut in salary. What that will do is to make sure – and we are not talking about workers in private sector – the condition is not to cut the wages of the private sector people, let us understand, radically, what we are talking about. We are talking about cutting the wages bill of Government employees. This does not involve the private sector, so let us deal with that issue. Don't let us shirk the issue, let us diagnose the situation and decide what we

have to do. So you either cut your salaries and you put on bonds or what you have to do, or you have another alternative.

12.15 p.m.

Another alternative, if you do not cut salaries, is to lay off workers, creating mass unemployment. The people who are saying, do not cut salaries, must understand that if you do not cut salaries, the only thing you can do then is to lay off workers. But what are the social implications of the massive layoffs of workers?

1. It will benefit the big business people in this country because there will be competition by the unemployed people for jobs and those people can be offered any kind of money.

Aside.

SENATOR Dr. E. A. SIMMONS: Of course, if you have a large sea of unemployed people.

Mr. ACTING PRESIDENT: Senator Barker would you stop your repeated grumblings and mumblings? I have spoken to you before. This is not Parliamentary conduct, Senator Barker. I do not wish to have to speak to you again, Senator Barker. You may proceed, Senator Simmons.

SENATOR Dr. E. A. SIMMONS: Thank you, Mr. Acting President. The point I am making is this, that the people who are articulating this position they are not articulating this position out of ignorance. They know what they are saying and they know what ball game they are playing.

The other thing that is very, very important is the massive layoffs. The structure of the Unions in this country will be tremendously weakened and we know they are people who went to Parliament in the country with an Emergency Powers Bill to kill the unions in this country. So what I am saying is that what you are hearing now is logical follow-up to the thinking of all that has gone before.

We have to understand in this country, precisely what is happening. I started by saying, Mr. Acting President, that Barbados enjoys one of the best standards of living in the world. If you look at the statistics you will find that there are more radios, per person, in Barbados than there are in Japan. There are approximately two radios per person in Barbados. In Japan the incidence is not that high. What I am saying is, if we enjoy areas of growth we have to understand that we have to make sacrifice as well.

I intend to live in this country for the rest of my life. Therefore if we intend to stay here for the rest of our lives, when times are good we will enjoy it; when times are bad

we have to make sacrifices. So, when I hear calls from certain people, and you analyse what is happening, we have to sit back and wonder.

When I heard the Honourable Senator make a reference to salaries being paid at St. Joseph Hospital, and I think I have made this point in this Honourable Chamber already. If you are opening an institution like a hospital, the staff that has to be employed in that hospital are not like objects on the shelf of a supermarket, that when you are ready, you go and pick them down. There is certain infrastructure that has to be put in place long before the institution is opened. You don't find a hospital administrator sitting down by the street corner so that the morning when you go to open the Hospital, you say come and go down here and let us open the hospital. What do you think a hospital is? You must have a cost attached to the hospital long before it is opened. So for intelligent people to talk about a cost attached to a hospital before it is opened, I really do not expect that level of discussion at this level. You may probably find it at another place at another time. We have to be logical and we have to be sensible about what we are talking about.

Since I am talking about the St. Joseph Hospital, I have to come to another issue because I am a medical practitioner in this country and it grieves me when I can read in the newspaper – because this is germane to the economic situation in this country – when the union of which I am a member, that is BAMP, makes a statement that the Prime Minister of this country should resign. I think it is important that we explain the position of BAMP with respect to what has been going on in this country.

It is a fact that after 1976 when the then Government tried to implement a National Health Service, the doctors of this country, for the first time in the history of Barbados were threatened and told that they were making too much money and if they were not prepared to take a cut in salary and join the National Health Service, that doctors would be brought in from overseas to run the health services of this country.

It was at that time that the Medical Association formed a trade union to stem off the threat to the doctors in this country. Not a single doctor opened his mouth. This is when doctors were personally threatened. You had a Minister of Health who came publicly and called the doctors of this country, vagabonds. Personal attacks were made on the medical profession of this country and not a single man opened his mouth. It was not unusual, because people did not open their mouths in that interim anyhow. We have a democracy where twenty-five select doctors can go and issue a statement to the press.

I want Mr. Acting President to write something into the documents of this House. About four weeks before the doctors talked about the resignation of the Prime Minister

of this country, the executive of BAMP met with the Prime Minister of this country and agreed with the Prime Minister of this country that salaries should be cut. They did not only agree that salaries should be cut, they circularised every doctor in this country saying that they supported the stand taken by the Prime Minister and they went so far as to indicate what levels of cut ...

Mr. ACTING PRESIDENT: Order, please. Order.

SENATOR Dr. E. A. SIMMONS: They went so far as to indicate to the individual doctors what levels of cut should be taken. That was the executive of BAMP, circularising the doctors of this country. These things have to be said because during the time when the medical association was under greater stress, when we held meetings, no press was allowed at our meetings. I find it fancy strange, very, very strange that all of a sudden a few doctors can sit in a particular place and call in the press and release information in an organisation which has always kept its meetings confidential and private. I think these are things that have to be said. But, I am going to say this, it indicates something deeper that is going on in this country – something much deeper. It has to do with the class struggle that is going on in this country. I don't want to give you chapter and verse, but you know the suits that a particular man wears and his glasses must determine whether or not he should be the Prime Minister of this country and in whose drawing room he is sitting down.

Those are the real issues. All that is happening in this country is that...
12.25 p.m.

Mr. ACTING PRESIDENT: Senator Barker, I think that this is the final occasion on which I shall speak to you. I have done so twice before and I repeat Senator Barker and Senator Mottley as well that I will not tolerate this cross-talk and I mean that. All right, you may proceed Senator Simmons.

SENATOR Dr. E. A. SIMMONS: Mr. Acting President, I understand why people get very nervous when their very sensitive nerves are touched. I understand because maybe it goes very close to home. But we have to address these issues that are serious in this country because those are the real issues that are threatening the security of this country. All countries over the world have gone to the IMF. The Barbados Labour Party went to the IMF. Going to the IMF is nothing new. So what is this new facet? Part of it lies on who is going to the IMF. I am saying, Mr. Acting President, that what we need in this country is sober reflection. We need to understand that we are all in this together. To pretend that it does not exist is absolutely nonsensical. We have a problem and we have to solve the problem. I am saying like mature people that we have to get together as all Barbadians and decide what is best not for one set or another set but for all Barbadians. I am

saying in the final analysis when this exercise is finished that Barbadians would have been much more mature people having gone through the exercise and discussed it.

Mr. Acting President, on that note, I support the Resolution before us today and I hope that in the final analysis we have the support of all Barbadians. I thank you, Sir.

SENATOR T. E. BARKER: Mr. Acting President, I can see that the Minister has ignored that I am speaking.

Mr. ACTING PRESIDENT: Will you stop that, Senator Barker. This is quite inappropriate.

SENATOR T. E. BARKER: Yes, I have to say something especially when I heard the comments of the last speaker. He talked and he rambled and up to now he has not touched on the Appropriation Bill.

Mr. ACTING PRESIDENT: That is a matter for me, Senator Barker. I do not appreciate your level of debate. I repeat that I have spoken to you on three occasions today already. I shall have to take more stringent measures. Senator Barker, if you are going to address the Chair on this matter, you will speak on the Appropriation Bill. You may speak on that and nothing else.

SENATOR T. E. BARKER: Sir, I only took my guidance from the last speaker. Sir, we have here \$91 million in extra expenditure that we are asked to approve in this Honourable Chamber, which as my colleague said is about 10 per cent of the estimated figure which was passed in this House around March 1990.

It is no secret that part of the problem we are facing now is a direct result of this excessive expenditure in the 1990/91 fiscal year. Sir, it may be coincidental that 1990/91 was an election year. But there is a theory in public finance which states that there is a cycle to Government spending. Every five years Government increases above that which is normal. I am sure that when the figures are checked that 1990/91 will beat the record with quite a lot to spare. Never before have we seen this level of supplementary expending. I want to make the point that this spending came at a time when the economy was in recession and for the first time ever Government's revenues declined from one fiscal year to the next. This spending has taken place when Government knew, because I knew, that Government's revenues were declining. If I knew with my little knowledge and experience, I am sure that those on the other side would have known that revenues were declining. If they knew, I am sure that the Minister of Trade knew that the revenues were declining, how could they in the face of declining revenues go about a mad spending spree that is evidence by this Final Appropriation Bill?

Sir, I am agitated when I see what is happening in my country. I do not have a green card for any other country. I have only one card and that is the Barbados I.D. Card. I do not plan to live anywhere else. When I see what is happening in my country, it grieves me. The last speaker made the statement that we are nervous. It is amazing that he can make that diagnosis without touching me. He has remarkable skills. I may be nervous because when I see what is happening I cannot be sober. This is a systematic rape of our country's finances. Sir, what makes it worse is that \$42 million was spent on current spending. But capital spending is more in the control of the Minister of Finance than current spending is, because current is a thing that you are committed to salaries and so on in a statutory way. It is more difficult to control current spending than it is to control capital spending.

When capital spending could increase by \$47 million which is about a 25 per cent increase, the Minister of Finance should be taken to task for allowing capital spending at a time when he knew that his revenues were declining. He knew that and he also knew that capital spending has a large foreign exchange component. When our foreign reserves were in a depressed state in August 1989 and in the face of all of that he allowed \$47 million in capital spending, I would have to agree that he should resign. I do not need to be a doctor to make that statement. I make that statement as a Senator and as a Barbadian. When the Minister of Finance can allow his capital spending to be about 25 per cent more than what he budgeted for, something has got to be rotten in the state of Denmark.

Sir, there is no excuse for this sort of spending. If revenues were standing up, okay you can make the point. But our revenues were declining. This is the first time in history the current revenues of this country declined from one year to the next. In the face of all of that when he should be cutting back in spending to match the cutbacks in revenues, there was \$47 million more in capital spending. Where has it gone? The sum of \$2.8 million has gone to the St. Joseph Hospital. I do not take the foolishness that you must keep people on staff all of this long time before you open. We cannot hear a date when we will have the first patients.

Mr. ACTING PRESIDENT: Senator Barker, Standing Order No. 39(1) clearly states that you are not supposed to engage in previous repetition either of your own argument or the argument used by other Senators. We have been regaling here today by all that you are telling us now about the St. Joseph Hospital by your colleague, Senator Mottley. Now you may proceed otherwise.
12.35 p.m.

SENATOR T. E. BARKER: Sir, I am thankful to you for enlightening me, but I had to respond to the repetition

by Senator Simmons; the unfounded ones, not based on common sense or logic.

Mr. ACTING PRESIDENT: Senator Barker, you will continue without discussion of any other Member's contribution to this debate. Without any such discussion, you will continue. Senator Mottley, will you stop your rumblings?

SENATOR T. E. BARKER: Sir, the last speaker criticised inadvertently the National Health Scheme, which has proved beneficial....

SENATOR Dr. E. A. SIMMONS: Mr. Acting President, on a point of order. I never said anything at all critical about the National Health Service. I talked about the way in which it was implemented.

SENATOR T. E. BARKER: I am glad for his revelation that he criticised the way in which it was implemented, which leads me to say that he criticised the National Drug Scheme, because that was one of the first measures that was implemented.

SENATOR Dr. E. A. SIMMONS: Mr. Acting President, I hate to interrupt, but again on a point of order, I would not want it to go into the records, as the Honourable Senator is saying, that I criticised the National Drug Scheme, because I did not address the issue of the National Health Service or the National Drug Service. I am a medical practitioner in this country and I know what I will criticise and what I will not, so I do not want it written into the history of this country that I criticised anything like that, because it is not true.

Mr. ACTING PRESIDENT: Thank you, Senator Simmons.

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, what I want to move is that the comments made by Senator Barker in relation to the National Drug Scheme be struck from the records.

SENATOR T. E. BARKER: Sir,....

Mr. ACTING PRESIDENT: Senator Barker, we shall have to have a suspension, because this is not being fed into the system as a result of a power failure.

SUSPENSION OF SITTING

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, I beg to move the suspension of this sitting until 1.45 p.m.

The question was put to the Senate and agreed to and Mr. ACTING PRESIDENT suspended the sitting accordingly.

RESUMPTION

Mr. ACTING PRESIDENT: This sitting is now resumed.

SENATOR T. E. BARKER: Mr. Acting President, when we broke I was on to the health spending and I talked about the National Health Scheme where the benefits of that scheme are evident for all to see. I was commenting on the fact that when the medical practitioners were speaking about the National Health Scheme we did not hear the criticism from the other side that they were self serving and all that at that point in time, but we are hearing it now. I do not think it is right in our small society that we should be casting aspersions on the behaviour of groups of people who are exercising their constitutional right to comment on a matter which is going to affect them.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Acting President, on a point of order. Just for the record, I did not hear anybody casting any aspersions on anybody's character in here.

SENATOR T. E. BARKER: I do not think we should be in here anyway talking. . . .

Mr. ACTING PRESIDENT: All right. Leave that to me. Proceed with your debate.

SENATOR T. E. BARKER: Sir, while I am on health, I want to refer to the St. Joseph Hospital. Perhaps, Sir, the Government can tell us when the St. Joseph Hospital is going to justify the \$2.8 million, and indeed the \$15 million, that was spent on it so far. I would like to know when it will be opened so that people like you and me can reap the benefits from the investment which is part and parcel of the \$91 million that has been overspent in the last fiscal year.

Sir, this talk about the BLP in 1982 streaking to the IMF, the talk about all of these secret negotiations, is foolishness. We went to the IMF and we never cut wages. In fact, in 1982 when we were in the midst of an IMF programme we did not cut anybody's wages by 10%, in fact we gave a moderate increase of \$108 per month for everybody, and even in 1983 in the midst of the programme we still found a little \$5 million to give them, to let them know that they were not supposed to bear the brunt of the problem. We still gave them a little piece of the cake. What we are seeing here now is that Government is seeking to reduce wages.

Back in 1986, just before the elections, the NUPW marched against an increase of 10%. Nobody talked about creating riots and all that, but now when wages are being cut I hear talk from the other side about sedition and such like, when in actual fact.....

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. It is just after lunch and I do not wish to be constantly getting up, but nobody used the term "sedition" in here today.

SENATOR T. E. BARKER: Anyhow, the point is that if they are wrong to march now...

Mr. ACTING PRESIDENT: All right. Confine yourself to the matters pertaining to the Final Appropriation Bill.

SENATOR T. E. BARKER: Precisely! I am trying my best. I am talking about salaries. Salaries and arrears form an item in the Final Appropriation Bill.

The matter of layoffs or cuts was raised in here. The last speaker made some rather outlandish statements about the effects of layoffs. I want to alert him to the fact that layoffs have started already. About 400 teachers got laid off. If that is not massive in the Teaching Service, I do not know. What we are getting is not pay cuts instead of layoffs, but threatened pay cuts in addition to layoffs; in addition to the fact that you are increasing the services in some of the Statutory Corporations – I mentioned the Waterworks, for example – and in spite of all this we are still getting layoffs. This talk about layoffs decreasing wages is nonsense..... because wages in Barbados don't ever decline. This is the first time we are hearing about cuts in wages but wages in the worst of situations have always risen. The fact that three or four hundred teachers are laid off from the teaching service does not mean that when they compete in the market they will demand less salary in terms of their services. I don't buy that point at all.

1.50 p.m.

All this thing about lay-offs benefiting certain classes, that is a lot of clap-trap which does not grace the hallowed Chambers of this House. I would like Members when speaking to speak logically. Don't go overboard...

Mr. ACTING PRESIDENT: All right. Leave that to me, Senator Barker. You go on with your debate. Leave what other Senators are saying to me. Go ahead.

SENATOR T. E. BARKER: Sir, the point is that...

Mr. ACTING PRESIDENT: Yes. Get to the point.

SENATOR T. E. BARKER: Thank you, Mr. Acting President. The point is that lay-offs have already occurred and the pay cuts that are threatened will make the life of the civil servant even more hard. Don't forget, a month ago, the Government, in my view, foolishly increased interest rates by two per cent. The result is that almost all the households of Barbados are called upon every month to look for \$200 more as a result of increased mortgage

payments. Most houses that are built in Barbados are financed through mortgages. Almost every household is going to find that their spending power is already cut by at least \$200 per month. I said foolishly because I don't think that there is any justification for raising interest rates. We all know that the relationship between savings and interest rates is not as strong as people say they are. What the increase in interest rates will do – I don't think the Government thought out this point – is that next year the income tax take is going to decline as a result of higher mortgages. The only person who could benefit from the higher mortgages are the banks. The Government will find that next year they will be called upon to pay out more by way of tax refunds, especially since in 1986 the limit on the amount of money you can claim for mortgage interest was removed to the benefit of people with good mortgages. So, the Government is going to find that they are not benefiting from the increase in interest rates, rather they will lose. The householder will lose a lot this year but next year he will recover some, but the banks are the main beneficiaries. I do not know what thinking led the Government to increase interest rates. Probably the Minister will explain when he gets up.

Added to that now, you are talking about a pay cut. Imagine, Sir, a house with two civil servants. Lots of houses have two civil servants. When they find that their mortgage goes up by \$200 and in addition they could lose about \$500 as a result of the ten per cent, tell me how many households in Barbados can afford to lose \$700 in any month and still feed their children properly? There are not many. Added to that, we have increased water rates, increased insurance payments and almost every time you look around something more is increasing. So, these threatened pay cuts are an unnecessary imposition on the back of those who can least afford it.

I therefore urge Government to think again of the terrible damage and harm that it will inflict on the working people, the ones that the last speaker so much loves. Think of the harm that will be inflicted on them if Government gets its way and cuts civil servants' salaries. All this thing about pay cuts or lay-offs, it is not as simple as that. It may sound good. Ten percent is not much! Tell a man who is already on the thin line barely able to provide and ask him how he will fare when he loses \$200 or more a month out of his pay packet.

If the result of this over-spending means that now the poor people that the good senator represents are going to suffer the hardships, then the shame must fall squarely on the shoulders of a Government which in spite of all the evidence allows itself to overspend by \$91 million. We are now seeing the results of it. Look around and you will see a half-finished Sherbourne, a half-finished St. Joseph, a half-finished St. Thomas School. If it had listened – not so much to us, because we are prophets of doom and gloom. Every time we open our mouths we are deemed terrorists

or prophets of doom and gloom. Nevertheless, it has taken a woman from Germany to come and they will listen to the IMF while we here are nobodies. When we started talking about departmental cuts two years ago we were nobody. We were small and black. You would not listen to us, but now a woman comes here from Germany and you have to listen, and what are they saying? They are telling you the same thing that we said two years ago. If you had done it two years ago, when the Honourable Minister of Trade was in the Ministry of Finance; if he had used his influence to make sure that the spending was checked – that's all we wanted... I hope he tried. Yes, Sir, I suspect he tried. If they had two years ago put the brakes on spending, today there would be no need to threaten to cut people's salaries.

The point is that if you had taken timely action all of this would have been avoided, and the last Senator who spoke, Senator Simmons, knows it. Now he wants to divert attention away from the real instigators. The result is, Sir, that we have an economy brought to its knees. This is evidence. History will not absolve you all out there. You have done a serious injustice to this country. Now to get around it they are now looking upon those who did not create the problem in the first place. The poor maid working for \$1300 in the civil service has to lose \$130. The poor civil servant in the Z26 or Z38 scale has to lose \$130 or \$140. Where are those who are supposed to represent the interest of the workers? A deafening silence. History also will not absolve them. They stand indicted in the courts of Justice. Their silence in the face of this tremendous iniquity on the working people of Barbados.

With those words I have nothing to do with this final Appropriation Bill. Let the record show that I, Senator Tyrone Barker cannot support this foolishness. We of the Barbados Labour Party cannot support this nonsense because a word to the wise is enough. They had, not one word, they had a multitude of words, and the result is today that the poor civil servants who have not contributed to it, are called upon to pay.
2.00 p.m.

Sir, in spite of being a terrorist, in spite of being all of that, I, Sir, respectfully submit that this ...

SENATOR A. MORRISON: On a point of elucidation, Sir, do I understand the Honourable Member to say there are terrorists in the Barbados Labour Party.

Mr. ACTING PRESIDENT: I do not get that impression.

SENATOR T. E. BARKER: Sir, we were accused of political terrorism and only a terrorist indulges in terrorism.

Mr. ACTING PRESIDENT: Thank you for the elucidation.

SENATOR J. A. F. COLE: Mr. Acting President, as Senator Dr. Carl Clarke said when he introduced this Bill that it is not normal to debate this money Bill, I don't think we are in normal times. I must say I am glad to see that there was some debate on it.

I rise really to support it, but I have reservations and I would hope that we have listened very carefully to much of what is said today on both sides of the table as I think it had a lot of very useful inputs. There was a lot of truth on both sides, a lot of relevance and I would not like some of the remarks said to be taken lightly but I will avoid being repetitious.

I would like to say, there is a feeling in Barbados that the present situation with regard to the economy under which this Bill has come is not a bad thing, because it has brought the man in the street to realise that living in this world today and enjoying the facilities that we have in Barbados today cannot be taken for granted.

Every man in Barbados, not just the legislators, not just the people who send out the tax bills to get in the money, every man in Barbados has his part to play and I don't think any one Prime Minister is going to pull this situation back from where it is. I think the most important thing now is for our leaders – the people who command the heights of the platforms – to get the message over to the man in the street that there are a lot of things which have somehow been fed down to him, that certain types of work and certain jobs, sometimes, particularly in the service industry are not good. We seem to have forgotten the little paragraph in the Bible where it says that all honourable work is clean and this, that and the other. We have been drawn away from that. We have got to get the people on the platforms to tell the man in the street, and not only the man in the street, but the people who are his immediate superiors that a day's work is a day's work. That you can't do ten hours' work in eight hours. Sometimes if you stick to your job description it will be detrimental to yourself and to your country. Much of this I believe is why we are seeing layoffs now. Really what we are looking at, Sir, is an educational programme which people, as I say, who command the platforms have a great part to play. We have learnt a lesson, therefore, let us pass on what we have learnt and let us try to ensure that it does not happen.

I know the unions and the powers that be will see, and I know the employers will try to stick to their union agreements with regard to rates of pay. I think we must also get the man who is on the job to realise that he has his part to play. I am not saying that is the order of the day, I am only saying it does happen. We would like to see that put over as clearly as possible.

There are some examples and other things which I am concerned about. We see that the Ministry of Agriculture

and Fisheries have had an additional sum of \$946 000. I would like us to remember that while we hand over this money and the money is there, that that alone cannot make it work. We know there is a Bill in the mill as it were to control praedial larceny. I read in today's paper that Julie'N Supermarket, Store and Traders are going to contract out \$1 million in agro products and so on. Now those people who are going to grow that have to be assured that they will reap their things. In talking about praedial larceny, I don't like to use that word at all, because I believe a lot of people would think that has something to do with lawyers. I am really talking about stealing products, I am talking about a cultural thing in Barbados now, where the stealing of other people's goods, it seems that some people are trying to have it accepted. We have to reverse that and get it right. I am sorry, Sir, we have to reverse that and get it right. I would like to think that we could clean up this sub culture when it comes to this attitude about crops. I would like to think that the Praedial Larceny Act goes into force as soon as possible. Of course I look at that purely as a case of closing the gate after the horse has bolted. I will not go any further into that particular one.

In education we have spent an additional \$18.6 million. Very, very nice, I have no qualms about that. That is very good. What I would like to see is that we are going to check this trend where people send their children to school to hear that school has closed a month earlier all because the Headmasters or the authority cannot maintain the discipline to keep the school together at certain times of the year. I would like to think that if we have to legislate that we have 180 or 190 school days a year we will have to do it.

Sir, we have inherited from our colonial masters a lot of things. We use some of these tools very well. Whenever it comes to discipline we seem to be weak, not in implementing it, but in enforcing it. They were very strong there, maybe that is why they had an empire that the sun never set on. I think that enforcing this thing is another of the things which people who command the platforms have to come out and say something about it.

Lastly, the hotel and tourism industry. I think we have got to begin to recognise the people in this industry who have worked so hard over the last twenty years. Sometimes things are said and I get the feeling that they feel they are not appreciated but if you ask any of us here, since most of us, if not all of us drive cars – if you ask anyone who drives a car, where you got money from to buy that car, he will usually say, well I was working at so and so for twenty years and I bought the car. Nobody has ever told him that were it not for the buoyancy of the tourist industry over the last twenty years he would not be driving that car. Nobody will tell him that. So what I am talking about today, Sir, is not the intricacies which we have heard for much of the day, but the broader things – preparing the wicket. You pick a nice batting side, you go to the oval

and the wicket has not been prepared. Our legislators have to prepare the wicket better and back those people who go to the center to bat. It is not a short term thing, quick fixes, I don't think, are going to help. I think we are going to the bottom a little more before we come out of this. We may not be lucky like Trinidad to have a war come along and boost our foreign exchange earnings. We may not be as lucky as Trinidad. That is all that I have to say. As I said, I support the Resolution but I have my reservation because unless we look at the broader aspect of these matters it is going to happen again. Thank you, Sir.
2.10 p.m.

SENATOR Mrs. V. C. FRASER: Mr. Acting President, I rise to support this Bill and I should like to make a few observations. I think many of the persons that I have been hearing are talking all over the place and either are not aware of or living in some strange world that these things do not exist. They have suddenly had some sort of seance and they woke up out of it and decided that this is the time for them to talk left, right, and centre. But the question of managing of a household is the same thing as the managing of anything else such as a business, government, or what have you. You have to budget. You have to look at what your priorities are. You have to get them very, very straight.

I think that for quite sometime now that Barbadians have not realised that we are living in a small developing country with few resources and the majority of the resources are our people. We have tried in this country to do things to benefit the masses of people in this country which is quite commendable. I would not like to see free secondary education, tertiary, or university education stopped in this country. I did not get any of the free secondary education but it does not matter. What I am interested in is my country and I am happy about those youngsters who are getting it. Some are utilising it to the fullest and therefore it ends up in production for the country. But I would like to say that we have many people whom we have trained and they have not returned to this country and helped in any way to produce and build up Barbados. I think this is a sad story.

I think that one of the things we have to do, as I am seeing happening in some areas, is to try to entice these people back to Barbados. I have seen a number of nurses up to yesterday who have returned home and they are happy to have returned home because although it may seem that they are getting a little more money the conditions are quite different.

Mr. Acting President, under the area of agriculture, for a long time we have been saying to people that you have to look at what you are going to produce. You have to look at what is coming into this country. People have had a pattern of conspicuous consumption where they have been just walking into the supermarkets and taking up all

sorts of things and buying them. They forget that that is costing the country more and more foreign exchange. My plea also is to those persons who import those things to be more nationalistic and stop importing all of the foolishness that they import and realise they owe Barbados something. Barbados does not owe them anything.

I would like to see the wastage cut back from many areas where people buy food and throw away food. In some institutions, they buy food and a lot of it is wasted. They forget that again is sending out foreign exchange which has not benefited anyone when food is wasted. In many institutions, people can get a lot of pig food and all sorts of things. That again is foreign exchange wastage.

Nobody has to tell you to tighten your belt if you are running a household. You should understand that if you are the only bread-winner and you want certain social services in the country along with what you earn that you can only continue those social services in this economy if people are going to produce more. If you do not produce, you are going to perish. That is a slogan which I believe in. If people do not understand at this time of the night that they must not leave lands lying down idle without planting them, then we are going to be in trouble. As I see here money for research, this is a very commendable thing. We must do research into markets where our crops are going to be received and paid for and we can get this valuable foreign exchange. I can cite an incident of carambola which is known now around the world as a fruit. It grows very well. They have lots of varieties down at the Scotland District and carambola brings in a lot of foreign exchange to many countries. You do not have to be watering it all year long. You just start it off and it grows and you get your fruit. You just have to cut it up and put it in packages. That is foreign exchange coming into the country.

We have not been looking seriously at the number of things that we can do to save money in this country. We have been importing left, right, and centre. Sometimes farmers have cucumbers to throw away. There is nothing in doing pickled cucumbers. It takes a little vinegar. You can slice it up, strain it, and bottle it. Now if every single householder in Barbados did something to help himself or herself, here again we could cut back on foreign exchange. If every single householder worked out a budget for their food and get the necessary things, we could cut back on foreign exchange. If people stopped all of this spending and all of the importing of handicrafts and use up our local handicrafts to give presents to their friends and so on, we will not have that big expenditure on foreign exchange. It only calls for thinking. The answer does not lie in criticising and abusing anyone.

We are responsible for the state of this country whether we like it or not. We went about spending wild and traveling every weekend and buying all sorts of things. I am referring to the citizens of Barbados. Regardless of

how much money a Government may spend also the expenditure in the supermarkets and so on, six or eight Ministers could not spend \$250 million on imported food from extra-regional sources. They would have to be some sort of giants to eat all of that food. It is the people of this country who have been spending like they are crazy, picking up things and putting them in a trolley, and then calling and asking me, "Senator Fraser, how do you use asparagus tips?" They do not know how to use them but nevertheless they put them in the trolley. They are buying fish cake mix. They are buying pastry coming from extra-regional sources. They are buying canned peas where we are accustomed in planting the green peas all around the hedge row. They are buying black-eye peas. We are accustomed in planting black-eye peas in Barbados. They call them field peas now. We have increased green peas and dry peas. You only have to throw a few peas out there and they grow like mad.

What is wrong with us? Now we are going around the country quarrelling with everybody and asking the Prime Minister to resign. What nonsense! Did the Prime Minister alone buy food in this country from extra-regional sources? Did the Ministers or even the same Leader of the Opposition and his people? A country comprises of people not only politicians. It is time we realise the seriousness of this whole exercise and economy and stop making sport and being foolish. When we are doing things to hurt ourselves, children, and grandchildren which we are actually doing and seeing in this country, we are telling people that Barbados is no place to come to. That is what you are telling people and therefore you are trying to hurt tourism and foreign investors. So you have to be careful and think carefully as a Barbadian. This is our country. Where are we going to run? You have to face up to facts. 2.20 p.m.

If a child is getting drowned in a well, are you going to say you did not tell the child to go into the well? Or that you did not do this or that? Are you not going to get somebody to try to take your child out of the well? In the same way, we live in Barbados, it is our country and if there is a problem we have to get together and take whatever measures we have to take. A woman said to me that she used to use one onion and she is now going to use half. At least this woman is thinking of cutting back. We have to be thinking in the same way. We do not need unnecessary things to survive, leave them on the supermarket shelves. Buy the things that are necessary. If we do that, we will survive and the Government will have money to buy the drugs for the persons who need them, they will have money for the welfare system for the people who really need it, but if we continue on this trend, just spending recklessly, wasting things...

I spoke to Senator Cole a little while ago and I showed him a document from FAO. He, being an expert printer, said to me: "This is done on recycled paper." Those

people understand what it is to cut back, to produce the same booklet "Trees for Life" but it is not done on new paper, this paper has been recycled. We are not thinking of saving paper, we are not thinking of doing anything, we are thinking of wasting everything. "Oh, some more will come tomorrow!" We do not have any tomorrow and God will punish us if we do not listen to him. Perhaps it is a good time now for reflection on the harm that we are doing ourselves, our children and our grandchildren.

Mr. Acting President, I want to say today that it is time all the foolishness stops. Let us sit down as people and look at the things we need, the foods we need to import that we cannot provide ourselves with here. Let us look at the research that has been done and try to utilise that research effectively. I saw something in this morning's paper about khus khus grass. You can make perfume from it, too, that is an industry. Lottie uses bits of khus khus grass to put in her pepper sauce packages to send abroad. She just got a lovely market in California. We must try and create innovation in people, they must not always think that the Government must provide jobs for them, because Government cannot employ everybody. We at the National Development Foundation are trying our best. I was very pleased yesterday to visit the Springhall Land Lease Project, where we have seven farmers whom we have helped. There is one woman with 15 acres of land and when you see what she is doing – melons, okras, butter nut squash – with just two people employed! She works morning, noon and night. This is what we want to see, people creating their own jobs, not sitting down depending on everybody to create a job for them.

We want to see those persons who are playing the fool, who have had the benefit of an education in this country, from taxpayers' money, and are up at their ivory tower in Cave Hill, some who come on the radio and criticise the country bitterly, putting up a package to the Government showing what they are using their knowledge to do. They could say how they feel Government should take certain things, and that they would be willing to teach some of their skills to some of the young people. Those who have skills in agriculture know there is not a large enough extension service to service all the small farmers. They could use their talents and go to the villages where they came from. Probably they are forgetting that our parents and grandparents worked in the cane field. Reward those people, but go the same time and help others. The same lady I spoke to yesterday helped some of the other agricultural people, because she has a tremendous amount of experience.

You keep talking about the man in the street. The man in the street is doing a lot of work to help people in this country. It is the mealy mouthed middle class who do not understand what is going on. It is no point having a refrigerator and when you open it you only have bottles of water. That is nonsense! We have to face facts and come

down to the nitty gritty. We have to buy the things we know we can afford and stop parking six cars in front of the door of one family. These are the serious issues we must look at. These are facts I am talking. People must understand that when they go to the supermarket they must go with a list and buy the things you need and not what you want. Our mothers and grandmothers did it. They raised six children, they never lived to get the kinds of salaries you are hearing about today, and even if they had lived they would not get those kinds of salaries, because by now they would have been retired, but they would have put in the work in this country for us to follow. We are just wasting time.

Those people have been the greatest economists. The women stayed at home, but a lot of them kept chickens, pigs and goats, and when the husbands were working for ten shillings, they had more than ten shillings out of the goats, the chickens, the pigs, the okras and so on that they grew, and they had food. None of their children was hungry. They sent six children to secondary school and all of them are doctors and lawyers today. Did they go about and quarrel and ask somebody to resign? They did not do that, but by dint of hard work they realised they were part of the family, that the husbands were only working for small amounts of money and they sought to swell the income by contributing to their children's success.

Too many people nowadays go and rent all the videos. I heard of a lady who received a welfare cheque and went to ask if she could cash it to rent three video tapes. That is the kind of foolishness you get. Her priorities are wrong. The \$100 was to buy the uniform for the child, but she is thinking that since she has a \$100 cheque it is more important to rent the video tapes than to buy the uniform for the child. Often people go and buy pants suits out of the money. I have worked at the National Nutrition Centre and parents have come in with malnourished children all dressed up. These are the things we have been doing that have led to this state. The politicians come from among the people and from the communities and we have to understand that when something is necessary it is necessary. If it is not necessary, you cut back. That is what our forefathers did and built this great Barbados. Do not let them down.

Let us continue in a vein where we can be united as a people. Do not scandal others. They are the same Barbadians as you. They came from the same poor people as you. Why are you going to try to destroy people's characters in an exercise of building back an economy? That has nothing to do with it. I think it is time all these people who feel that they are well learned should bow down before the Lord Jesus and ask Him to save their souls and they would think clearly. If they have the Lord with them they would not be talking so much nonsense, because Jesus Christ abhorred nonsense. He loved wisdom and understanding. When the Pharisees were wrong,

He called them whited sepulchres, inside they were full of dead men's bones. He did not stand for any foolishness.

Mr. ACTING PRESIDENT: All right, do not stray too far.

SENATOR Mrs. V. C. FRASER: Thank you very much, Mr. Acting President. I am not straying, I am making a point to show that when we as a people need to look seriously at things, we should do so. That is very important. When we need to close ranks and put the country first, we have to do it. One of the things many have forgotten, agriculture is going to do it.

Thank you very much, Mr. Acting President, and I end with my slogan: "Produce or perish."
2.30 p.m.

SENATOR Mrs. A. STRAUGHN: Mr. Acting President, in supporting the resolution in principle I should like to say first that many of the contributions which were made today were conditioned by the present situation in our country, which shows that we are definitely a feeling people. We feel the situation extremely strongly. I should like to make a few comments on two areas in the Bill itself and in this order, preferably:

Under Head 78, Health, the Polyclinic Development – No. 7 and Head 76 and No. 3410, both of which deal with Education. No amount of money spent on the polyclinic development so long as the management skills are in place can be wasted or can be ill spent. Mr. Acting President, in 1989 I did a survey on our polyclinics with a perspective based on quality care. The emphasis being on young mothers – ante-natal, prenatal and after care. I must say that it is highly commendable and these polyclinics are well used. What I should like to submit is that the time has come for us to look very seriously at the catchment areas of some of our polyclinics. The one that comes most to mind is the one mentioned again, the Black Rock Polyclinic. The catchment area for the Black Rock Polyclinic is tremendous. It is centrally situated. It is accessible and it accommodates people from almost all over the island because it is so easily accessible. So, I submit, Mr. Acting President, that when we are thinking – I am not thinking about the amount of money we spend on our polyclinics because I said before it is a vital service. They are all very well used and many of them have so many added facilities that it would be a pity not to spend money on them or to maintain them at the highest level including the staff. The catchment areas for staffing do a wonderful work and I do commend this or any other Government for spending money in areas of health with the emphasis on our polyclinics.

The other area that I want to make a contribution to is Head 76, No. 3410 in the area of education. Senator Fraser's slogan: "Produce or Perish" goes way beyond the

production of food, or many other areas. We go right into the productivity area of our people. In this country, people are still our major resource. Looking at our education system or looking at spending money on education, I once heard a very popular economist in this island say that the only time that money is wasted on education is if the person is senile or mentally deranged. Well, then, you will have to look at it as a health problem and not as an educational one.

Mr. Acting President, there is no association, no establishment, no partnership, no institution that does not have its problems. Problems are more certainties than successes but the chief criteria and a strong measurement of success is the way we tackle our problems and the solutions we bring to our problems. One of the major functions of education is information-giving at all levels. I submit, Mr. Acting President – I have said it in this Chamber and this is the third time – that our people must be educated on civic matters. They must be given information from the lowest level of education to the very highest. Information is a prerequisite to support and if our country and our leaders at this particular time as at no other time in the history of our country particularly and the history of the world... This is our country and we of all people who are responsible for the leadership roles and the affairs of our nation need the support now of our people as at no time in the history of our country. Our people must be educated into what they are being asked to support and properly educated at all levels: civic education started from the very beginning.

We, who have been teachers for a long time and especially those who have been teachers of history know you can ask an examination question at first form and that same examination question can be carried to university level. The one that comes most to mind is something like the Haitian Revolution. You can ask about that at the first form level and you can ask it at the university level. By that same token, we can understand that if we really try to promote a civic education, inform our people, then when we ask people to do something and they know why they are being asked to do it the tolerance level and the support will be forthcoming without a lot of difficulty and pressure.

Senator Cole in his opening remarks not long ago in making his contribution stated that we have been listening. We have sat here and we have listened. Mr. Acting President, one of our Barbadianisms of which we have a lot – our colloquialisms are picturesque and they are extremely expressive and beautiful – is that one is "hard-ears". It is a Barbadianism but I would like to submit, Mr. Acting President that hard-earness, to coin it further and make it into a noun, is not the monopoly of young people. It is not meant to be interpreted to mean just disobedience and not adhering to what you have been told to do. It goes deeper than that. It goes into a situation of listening or not listening and again, listening does not just

mean collecting words and not adhering to them. Listening could be interpreted "heeding"; hearing with the consciousness, being fully aware of vibrations and messages that are coming through. Similarly, hard-earness can be interpreted to mean a situation where the art of listening is being lost or is completely lost.

Mr. Acting President, all of us who are responsible for helping our people, for guiding, and on whom our people are relying for guidance, must understand that we must listen to our consciousness, to the vibrations or the "vibes" to use the modern parlance. Otherwise, Mr. Acting President, I fear if we do not see that people are informed, that we listen to them, we will find, as I said before, that our people become disillusioned, angry and regrettably mistrustful of us as their leaders.
2.40 p.m.

As we look at it today, Mr. Acting President, and as Senator Fraser pointed out, she did not use this expression but she talked about our scholars going away and not coming back to give our country the benefit after they have profited from all the benefits – their brains as well, they warranted it.

It makes us suffer from what sociologists refer to as the brain drain. That is true, but looking at the amount of money that we spend on many of these scholarships, Mr. Acting President, I think, and if I am wrong I will be corrected, that something could be done in that regard whereby if a certain amount of money is allocated to a scholarship that money is that money. If the scholar wants to go to Timbuktu to study and that money has been expired, it has expired, and then the footing of the bill would be left to where it started from.

Mr. Acting President, we have got to look at the fact that many of the messages are not coming to us verbally. They are coming to us by attitudes. To quote from St. Paul and the passage of scripture – not in its entirety – that my Priest, a Member of this Senate, preached in his usual eloquent style about two Sundays ago, 'we are fighting against principalities and powers'. We have got to try our best as Barbadians to see that Barbados does not lose its credibility in the world and that our people do not lose their credibility in Barbados. It would be a pity, I think, Mr. Acting President, that we have got to do what we have got to do and we have got to stand strong by it.

I thank you, Mr. Acting President.

SUSPENSION

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, there are certain problems relating to the electricity and I wish to move the suspension of this sitting until ten minutes after 3.00 o'clock in order that the technicians may do some work on the electricity.

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

RESUMPTION

Mr. ACTING PRESIDENT: This sitting is now resumed. Senator Walkes.

SENATOR Miss Y. V. WALKES: Mr. Acting President, I rise to support this Bill. There have been a lot of talk during the day on this Bill not really on the principle of the Bill as such, because you can see how anxious a number of people were to talk about the financial situation or the economic situation in the country at the moment. This brought a lot of talk about how we should conduct ourselves in this country so that we recognize there is a time for building. This is also a time for discipline, sharing, and for caring. But what has come out of all of these happenings in Barbados is that it seems to me that politicians and people around tend to think that the politicians are the ones who have the power in this country. This is coming through to me each time that someone speaks. The masses and the politicians themselves talk as though they have the power in this country. There is all this talk about the Prime Minister resigning as though that will solve the problems in this country and, if the Opposition takes over, then all the problems are solved.

This came to my mind very forcibly when Senator Cole spoke today because it brought back to my mind the whole question of workers, if you want to call workers ordinary people or the ordinary man. Senator Cole referred to the ordinary people playing their part and doing their bit in business. He said "we" so he meant himself and I guess others in his own area would be ready to pay wages and so on. I am saying that when statements like these are made it brings to my mind all of the time the question of sharing in companies and the question of the whole matter of decision making. There are problems with a number of workers in companies and it is not the question of wages alone. If we are going to talk in Barbados at this time that there should be discipline for the man in the street, there should be discipline for the business people, the managers who are the controllers of this country. Those are the people that I am saying are in power and in charge.

I am saying that to reinforce my point that at this time in Barbados it is a serious time at taking a look at what is happening. There are a number of companies in this country that are amalgamating and setting up holding companies. They are not producing their financial statements or whatever so that workers can have a good view of the kind of returns that are there so that negotiations can be equally done in this country. Whenever the question comes up about anything surrounding the finances or the power or authority that the people whom

you are negotiating with at the time would have in a particular matter, they always say that they are not the owners and they do not have the authority. They are only the managers and therefore they cannot put certain measures in place.

I am saying that we are dealing with a whole question of equity and fair play. If this is the time for us to do this, then we have to do it overall. It is not a chance only for the ordinary man in the street to understand what is happening but we all have to share. We are looking towards a particular set of people and not looking at the entire people of this country. You cannot have a particular group outside of the force where the masses are trying to strangle each other. Because it would seem to me that everybody is clashing in this mass and a set of people out there are operating and forming themselves in groups and they are laughing at all of this confusion.

I am saying that if we are going to talk in one voice, then we have to speak in that voice for everyone. We are going to have to make sure that this particular behaviour of establishing holding companies stops. It is going on greatly and we are not seeing it. We are going to have to have legislation in place to put a stop to this kind of behaviour. Otherwise, now that things are in a state of reshuffling and redoing people are going to get away with a lot of nonsense. I want to say to Senator Cole that he can carry the message and appeal to people in that group and authority to look at what they are doing towards the workers in this country and in essence towards the uprooting of the whole system of fair play and equity in terms of industrial relations in this country if that type of thing should continue.

I want to say that we have come to a point in this country and in a lot of countries, if we are talking about democracy and we are going to go the whole gambit of democracy and look at liberty, freedom, equality, and things of that nature, that we have to say "okay" with adult suffrage and universal suffrage that we have political equality. There are some areas that some feel there is social equality and there is not one inch of economic democracy in this country that is coming to bear on the situation. Everyone seems to think that this is the time when they are going to grab for themselves and be as individualistic as possible. I am saying that it is the time that we forget that.

What is happening at this time in the Public Service is a call for sharing in terms of wage cuts. Rather than behave in the manner that we were behaving in the early 1980's with the other group that was in power in this country, at least in power in terms of having the little political power that there is, there were massive lay-offs in the 1980's. If we are talking about sharing, I really do not understand what is happening to us as a people if we want to see ourselves continue living at the standard that we are

living and see the others go home with nothing to do. The same kind of strife that we are talking about and trying to curtail and the same fear that we will have about living in our houses, because you will earn the amount of money if you are in the middle-class or what class that you think that you are in, you will not be able to enjoy it. There is no way that you are going to have massive lay-offs with the kind of behaviour that is happening at this time and people are going to be happy to sit down home and let you enjoy two TV's in each bedroom, three bathrooms, five bedrooms, den, library, living room, sitting room, and some passage way to walk through and then your foyer and vines growing all over the place and they are having nothing even to feed their five or six children. I do not think people realise the seriousness of this matter and we have to get together and deal with it.

The whole question of the Opposition and those people out there who are trying to cause confusion in the country left, right, and centre is not helping either. I am saying that on the one hand we are talking...

SENATOR T. E. BARKER: Mr. Acting President, I take offense to that statement.

Mr. ACTING PRESIDENT: All right, take your offense. Proceed, Senator Walkes.

SENATOR Miss Y. V. WALKES: Mr. Acting President, I am going to soon be through so the Honourable Senator can become offended if he so desires. But I am saying that confusion, and nobody can say that it is none less than confusion out there in the community in every area, whether it be on the call-in programmes or public meetings, is causing disturbance to the people because they are confusing the masses of this country. Let me say something now that the people were quite willing to accept measures because they understood what is happening. In Algeria, if I am not mistaken, I heard on the news that they failed to put the measures of the IMF in place and now they could not repay their loans. So what is happening? They are out there in the cold.

We cannot afford to get into the situation where we cannot even accept the measures up front to put things in place. The point is that we are talking about educating the masses. The Prime Minister has been speaking to the masses for a long time and telling them to cut back and tighten their belts. People were laughing but the masses understood that there was coming a time when things would be tough. Let me say something now. I am always speaking about the poor in here in relation that they do not want to be talked down to. The masses out there understand what it is to suffer. We are not really talking to the masses. We are talking about a few classes out there who cannot accept that they have to suffer and we cannot afford to be going through that kind of behaviour in this country at this point in time.

Therefore, if we know that there are certain measures that must be put in place, the masses were accepting those measures until the Opposition found it fit to try to confuse the people based on their narrow political gains, hoping that sooner or later they will be in a position to get this country. I want to give a warning here that the people of this country have not forgotten the early 1980's and even the 1976 period when they could not even open their mouths in this country and talk. They are the same people who are now calling to run this country at a time when there are economic problems throughout the world.

I hear this talk about please come to the people. Nobody was coming to the people before. No Prime Minister has come to the people in this country not even Errol Walton Barrow with the kind of explanation that this Prime Minister has come to the people of this country, not the Opposition for sure. They never told the people what was going on in this country. Furthermore, people were so fed up with the kind of behaviour that was going on in this country, you could not talk to anyone. You could not get a job unless it was authorized. You could not walk the streets comfortably without somebody talking your name during the last administration. I want to say to this group that coming out of this situation that we understand as workers that productivity is important to our success and the workers are willing and ready to share in decision making of this country.

The time has come when workers must be involved in what is happening in terms of the success of a company, in terms of the failure of a company, in terms of new technology being brought in, in terms of if something happens in a company that affects the managers it must affect the workers, but the workers must be drawn in and feel a part of that company, because with education and training – and the kind of training that they are getting at this point in time even in the Barbados Workers' Union Labour College – they cannot afford to be left out. I speak to them from day to day and I understand that we are having an educated and a trained worker. I am saying that workers want to be a part of what is going on, just like how you want to be a part of your household. When you work for a company for 14 or 15 years you do not expect to be a stranger, you want to know when you go to that company that a part of you is in there. It is not only your labour, but it is your work, which means more than even if you could talk about plain, straight labour, and I am not going to go into the extent of that. I am saying that the time has come when we need to look at this very carefully. 3.25 p.m.

Mr. Acting President, I know that we have spent a long time on this particular Bill, but I wanted to talk about those matters, because parts of them were brought up in this Chamber today and I thought, since they came up in this Bill, I would address them. I want to support this Bill.

I thank you.

SENATOR Dr. F. W. ALLEYNE: Mr. Acting President, in rising to comment on this Bill, which is a *fait accompli*, because the money has been spent already, there are some observations which I wish to make today.

The first thing I want to know, and it is a point which was made by several speakers but which was lost in many instances, but it has to do with the number and the quantum of the supplementaries. I think there are certain lessons which have to be learned as far as public policy is concerned. I think the efforts of some people to explain these supplementaries by suggesting that there is an incompetent Minister, that explanation will fall flat on its face, it cannot withstand any rigorous scrutiny, and the reason is not difficult to find. A very elementary lesson in public finance is that you cannot explain patterns or levels of public expenditure by just pointing to economics in a pure sense. You have to recognise that there are economic factors, social and political factors which determine the level, pattern and composition of public expenditure at any point in time. Therefore, to attempt to rely on something called a pure economic analysis to explain levels of expenditure is to expose your lack of knowledge in this particular area. This is where I find the Government's opponents particularly weak. They display a simplicity and a naiveté which is incredible for grown persons.

I believe that there are very serious lessons to be learned from the point of view of public administration in small developing countries, as I look at this list of supplementaries. I want to address some of them and, hopefully, make some suggestions for dealing with them.

I believe, and I have been saying it in Barbados for quite some time, the time has come for a complete overhaul of the ground rules governing public expenditure in Barbados. The whole process, that is, starting from the very raw estimates which are delivered and compiled at Departments, right through to Ministries and to the central levels of Government, I am convinced that the time has long gone for an overhaul of those ground rules. Nothing less than a complete overhaul will save us, not a couple of big headed men who believe they have the solution somewhere in their heads or in their pockets. We have to overhaul the system. Nothing less than a complete overhaul of the gurus governing public expenditure will satisfy.

My suggestion is not a new one, Mr. Acting President. The United Kingdom Government – certainly I remember the first one in 1946 and there has been one set up after that – has set up Royal Commissions which enquired into the rules governing expenditure and the various procedures governing public expenditure. Why is it in Barbados we cannot do this? It is important that we address this question. Whichever administration is in office, it is relevant.

I believe before I have made a call in Barbados for zero based budgeting. What do I mean by that? In public financing when we talk about zero based budgeting, all we are saying is that every year you start from scratch and you justify every cent which goes into the Estimates. If you don't do that, what is likely to happen? You will find that a certain level of expenditure is built up year after year and what the fellows in the Public Service will do is to come and put on 5% more every year. What you have then is a patchy substructure and you keep building on top of that, so you build inefficiencies on top of inefficiencies in the public sector. That is what is fundamental in understanding the growth of public expenditure in Barbados, not nit picking, not finding out who has more sense than whom, or who can steal more than whom. You have to look at the system.

In this regard, Mr. Acting President, today I call for an early preparation of the Estimates. This business of starting the whole set of activities from around October is not good enough. More time has to be given for the proper preparation of Estimates within Departments and the proper scrutiny of those Estimates. This business of starting in October and between October and April you have a budget, given the way the machinery of Government moves in these countries, in my view is inadequate. It is time we get down to serious business in Barbados if we want to keep Barbados afloat. Whichever administration is in office, I stand by that. You cannot be running a country in the 1990's and behaving as if it is the administration of the 1950's and '60's.

The third thing which I want to suggest today is a redefinition of the categories of public expenditure. I have taken a little time to go through the categories of public expenditure which you will find at the back of the Estimates, and you will find that those categories are so broad that it is practically impossible to manage the expenditure of funds, because when you lump together capital items and recurrent items it is practically impossible. The categories are too wide. I respectfully submit, Mr. Acting President, that if we are serious one of the things which we have to do is to redefine those categories of expenditure so that you can identify items of expenditure with greater precision.

I think I understand why the categories are as wide as they are. I believe that they have been put like that for political purposes, so that a Minister of Government has enough latitude to spend what he wishes to spend with minimal accountability to Parliament. I am crystal clear in what I am saying.

The fourth thing which I wish to suggest is that I believe that in the final analysis public opinion is the ultimate check on the expenditure of public funds.
3.35 p.m.

I would suggest that the debate on estimates should be fully aired on radio and television and that enough time be given to Parliament to discuss fully all categories which are based on those estimates. It is our money. I hear some Senators talking about the Government, "where is the Government"? The Government is the working people of Barbados and those who talk as if they are not part of the Government by my definition are not workers.

I believe, Mr. Acting President, we have to take the public more into our confidence, and in the words of Senator Straughn, "educate them all" so that they understand the intricacies of public finance. This nonsense, as has happened from administration to administration - and a Minister of Finance has had to live with that kind of pressure - where the Estimates and the Budget have been approved and a Minister will go somewhere into a little village, address a little group and promise them something, and then come back and offload that onto a Minister of Finance. Only public education can deal with that problem.

The fifth thing I wish to suggest in light of this particular situation has to do with the effective functioning of the Public Accounts Committee. In my younger days, I was a student of the British Constitution. I know some persons will tell me the Opposition controls the Public Accounts Committee, but it is absolutely essential whoever controls it that the public understand that the Public Accounts Committee is an important mechanism as a check on the integrity of public expenditure. I say again, Mr. Acting President, in Barbados we are either serious or we are not serious. Those who are jokers had better jump off the ship because if they don't jump off the ship all of us will drown.

My next suggestion, Mr. Acting President, has to do with the exposure of management at the highest levels in the public service to the fundamentals of management and of economic planning. Mr. Acting President, I wish to be crystal clear on this point. The highest level of management in the public service is the Minister. I am not going to accept any nebulous distinction which tells me the Permanent Secretary is the highest manager in a ministry. It's a joke. The Minister has a programme. It's his Government's programme and he is accountable for the management of that programme. I believe in Barbados we have to make that decision and expose our Ministers to the fundamentals of management and economic planning. If this is done, this will remove a lot of the pressures from the head of a Prime Minister and a Minister of Finance. He wouldn't have to contend with people asking for a lot of foolish things because they do not know that these things are not possible in a situation. I say that not lightly.

I am told by one whose opinion I have great regard for that he was faced with a Minister and the Minister called him in one day and said to him, "Look, I don't feel on top of my job." He said, "Why?"

"I don't think I know everything that is going on in this Ministry. I want you to bring the mail file to me so I can see what is happening in my Ministry." That tells me a lot. If the Minister is not able to put clear priorities on his time and he has time for a mail file he should be working in the Post Office, not in a Ministry.

I hope, Mr. Acting President, comments which...

Asides.

SENATOR Dr. F. W. ALLEYNE: The mail file. Sorry. Mail coming into a Minister.

I hope the comments I have made, Mr. Acting President, will help to stir some discussion on what we have to do in Barbados in terms of tidying up the arrangements for the management of public expenditure. The comments I make are comments which are relevant to any administration. In the final analysis, Mr. Acting President, it is the people of Barbados who will have to bear the burdens of any mismanagement of the public expenditure.

I have heard some talk today about the fiscal and balance of payments deficits driving us into a crisis. I sympathise with those who speak of these things with very limited knowledge. I make a very clear distinction between the proximate causes of our problem today and the deeper underlying structural causes. I am not going to detain this Chamber by talking about proximate causes. An economy like Barbados is an economy which is always on the brink. I laugh when I hear people talk about how strong this Barbadian economy is. It is a very fragile economic structure about which you are talking. When we came in the eighties and particularly after the eighties, we had an agricultural sector, a sugar sector which was almost dying, a manufacturing sector which was crippled and we were struggling along with tourism. I said in 1986... I have the tapes. I don't speak in public unless I tape. I do it for a good reason because I had to threaten legal action against a newspaper for saying things which I did not say. Eventually the matter was amicably resolved. I have been saying to the late Errol Barrow in 1986 all through that campaign - I have it on tape - one of the first things he would have to do in Barbados was to think about rescheduling the external debt of Barbados. Only economic nincompoops would suggest that the problems of Barbados started with Erskine Sandiford. It is foolishness. The foreign debt of Barbados has been building up since 1976. You can build up and build up to a certain point in time where you reach an insolvency position once the productive sectors that are exporting start to contract and you have to service that external debt. This is precisely what is happening in Barbados - you have tourism which, through the third quarter of 1989, in 1990 and 1991, has been going through contractions. That is the sector which was carrying Barbados since 1986.

People are displaying this level of naivete and ignorance suggesting that it is Erskine Sandiford who stopped the visitors from coming here. What grieves me, Mr. Acting President, is I just spent about one month researching and writing at the University of Florida and while I was doing my work in the United States I was following the discussion of public policy in the United States as it pertains to the United States economy. What is heart-rending, Sir, is that the American people are able to sit down and discuss in a very dispassionate way the problems facing the American economy.
3.45 p.m.

There are massive layoffs, tens of thousands are laid off across all sectors of the United States economy and nobody is pointing at George Bush. They are drawing on the best minds in that community, and they are sitting down and they are marshalling the evidence and they are looking for solutions in a very dispassionate way. That is a sign of maturity in a society.

I have come back to Barbados and as soon as I get in Barbados, somebody tells me they are looking for me. I say, you have a writ for me. Give it to Mr. Inniss. The foolishness which you continue to hear, about Sandie this and Sandie that.

Mr. Acting President if it is one thing that is going to turn around this place, Barbados, it is a change in the attitudes of its people. Our attitudes have got us where we are. You hear today in Barbados a discussion which suggests, you are part of the problem but not me. Cut the other man's wages, don't touch mine. It is so silly it is incredible. How can you have a national cake which is contracting and you have commentators who are so stupid as to suggest that a national cake could be contracting and yet the absolute shares can continue to be the same. It is ignorance at the highest level, Mr. Acting President. It does nothing to us as a nation and a people that people in the United States, people in other parts of the world can know that we in Barbados are so stupid and so ignorant as to be saying these things in 1991. It makes me, when I travel abroad, like now, it makes me ashamed to let people know that I am a Barbadian to know that we have such high class village idiots in this place.

Mr. Acting President, I might speak strongly today, and I speak strongly because I recognise that the people who have to bear the brunt of any crisis in Barbados are the ordinary working people. The idle talk will do nothing to help them, but will make the costs which they have to bear, higher - these people who are running around Barbados on political platforms, spreading slander against people's fair name, and encouraging people to come out and march. March in support of what?

You have lawyers in Barbados who have never put down their names to help anybody with legal aid and now

they are saying to working people who have salaries, I am going to give you aid. What kind of contradiction is that, Mr. Acting President? What we are seeing in Barbados is a recipe for anarchy and confusion. All I have to say, Mr. Acting President, to those whose responsibility it is to govern Barbados, notice what I say, to those whose responsibility it is to govern Barbados, it is not mine. They are telling the people of Barbados that I, Frank Alleyne, do this and I do that. If I had the chance to do, I know what I would do, but I am saying that those who have to govern have to make sure that the law of the country is upheld.

I was in Queen's Park last night. It was a bad experience, Mr. Acting President, and I say it because it is relevant to what we are discussing today. One fellow got up and told the audience, all Barbados needs is to go and borrow two hundred million dollars and we would not have a problem.

Mr. Acting President, I am hoping that a lot of the weaknesses in intellect, the weaknesses in discipline and the weaknesses in character, which this crisis has brought to the forefront that we will be able to identify these problems as a nation and deal with them. I believe, as I tried to point out, that they are fundamental lessons to be learnt in public administration and public management from the information which is documented here. I believe we must go forward, resolutely and positively to deal with these matters, not finger-pointing, we have to reform our systems, we have to sit down very clearly and say, this is our problem, these are the alternative ways of managing our problem, this is the way we are going, we are going this way for these reasons and all of us have to join hands in Barbados and go that way.

Mr. Acting President, I support this Resolution.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Acting President, in winding up debate on this Bill, I will like to touch rather briefly on some of the comments made by the earlier speakers. Since Senator Dr. Alleyne's comments are fresh in my mind, I will start at the point when we introduced the Appropriation Bill, 1991-92. At that point in time, I believe I alerted this Chamber that the Minister of Finance was actively looking at the reform of the whole tax structure in the preparation of the Estimates, and he, I believe in another place had stated that he was looking forward to the day when he will bring both the Estimates and the Budget together at the same time.

In this year's preparation of the Estimates we have the first step towards the zero based budgeting that Dr. Alleyne spoke about and we have a kind of programme budget being introduced and I think that this will go a long way and more or less facilitate the transition from the line budgeting to programme budgeting, zero based budgeting over time. These initial steps are being taken. I also share with Dr. Alleyne his concern. The Minister of Finance has

also said that he will and he is now in the process of reorganising the Ministry of Finance to pay greater attention to debt management.

I believe that in the time that I have been in this Chamber that we have recognised this as a major problem that too little attention has been paid to debt management as a tool of policy. We have seen and we have spoken about fiscal policy, we have spoken about monetary policy, but somewhere in between we have allowed debt management to fall between the cracks and it is one way of bridging the gap between monetary and fiscal policy. It operates on monetary policy by the rate of interest at which you borrow and on fiscal policy by what you finance or tend not to finance. This is a natural bridge between the two and you can no longer - the Barbadian economy is not a village economy - and we can no longer think purely in terms of fiscal policy and monetary policy. But, debt management must take its rightful place amongst these other two policy instruments.

Now, turning to the wider debate, there were some outstanding contributions from Senator Straughn and Senator Cole. There has been much food for thought in those comments and we do hope that we shall improve and take some of the suggestions to heart.

Senators Walkes, Simmons and Fraser, as always, sterling performances, and that brings me now to the rest.

I am terribly disappointed, and I must say this, at the level of supplementals. It is quite clear to me that the process is not fully understood. First of all in the Approved Estimates 1990/91, total expenditures, current expenditures and capital expenditures total about one billion, three hundred and twenty-five million dollars. If you want the figures they are here on the back page.

In 1990/91 the current estimated expenditure was approved \$990 million, Capital Expenditure \$242 million and they add up to, about one billion, three hundred and twenty-five million dollars. Ten percent of one billion, two hundred and twenty-three million would be one hundred and twenty-three million dollars. The total supplementaries account for ninety-one million.

I know you have problems with mathematics, I did not expect to have problems with...

Mr. ACTING PRESIDENT: Please address the Chair.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Acting President, for Senator Motley, she is not in her place to indicate that it is around ten percent is not correct. It is around seven percent total expenditure. The process begins around the middle of the year. As soon as one Appropriation Bill is completed you start the next one. These are then submitted to the Ministry of Finance and then they

are before Parliament by March. Well you are asking people to look out over time dealing with large numbers and even within the private sector there is a factor called contingencies. Under ten percent is fairly reasonable, and furthermore, because you have increased expenditure we do not have to come back to the Chamber and say, we have affected savings in other areas. What it means is that we have a dynamic organisation and changes will occur over time. Although you have within your own Ministry a surplus under one sub-head, you cannot finance the deficit with that surplus under another sub-head.

3.55 p.m.

SENATOR T. E. BARKER: On a point of order, Sir. Regarding the end of the year Estimates, is it correct to say that it was something like \$1, 350, 000 because he made a point about savings? I do not understand.

SENATOR THE HON. Dr. C. D. CLARKE: Language is a fairly tricky thing. I think that I was speaking in English. I pride myself, as a Bajan, of speaking good English. Be that as it may, if there is a saving of one sub-head in a Ministry and you overspend in another head, you cannot transfer the funds. Although the supplementary provision will reflect "X" amount of dollars, it does not necessarily follow that you have exceeded the total expenditure. But I think that at least you should understand that as spokesman for the Opposition.

On the question of travel, it always frustrates me when I come in here and hear people talking about travel. Today Barbados is an independent country. We must decide as a people whether or not we want to accept our national obligation. It is as simple as that. I, as a Minister, attend many conferences and I attend them alone because we cannot take anybody else. You will find that in other territories they do otherwise. We talk about cost as though it is a benefit. As a matter of fact, last week I was in Puerto Rico trying to persuade American and Puerto Rican businessmen to come here. On Thursday morning I addressed a group at 7:30 a.m. telling them about the virtues of Barbados. On Friday morning they were asking me the question: Why is it that the people are calling on the Prime Minister to resign? Of course, I had no idea what was going on but this was carried by Associated Press. I have brought a copy back with me. But I am saying that this idleness, grandstanding, and playing of games should be stopped. We are talking about our country and, if we do not take ourselves seriously, believe you me nobody else will take us seriously. If we want to talk about spending money, we should talk about the returns we get for it and how can you contribute to the returns we get for it.

On the question of Government's expenditure, the Minister of Finance when he produced the Budget this year was at pains to explain that at that time we would have reduced the deficit. He did say at that point in time that he would make the transition from 6 per cent to 2 per cent. I

think at this time it is about 4 per cent of GDP. But we find ourselves in the position today that we have to move towards 2 per cent. Now as we make this transition to the 2 per cent, we are talking about two factors. There are two facets to this. There is a current expenditure and a capital expenditure. The current expenditure will be treated as a balance sheet item. The current expenditure will be treated also as an income statement account. The capital account will be treated as a balance sheet account which may be financed out of earnings or out of your borrowings.

Now as to the question about capital expenditure, this is why we talk about the overall deficit. We talk about it because we combine an income statement item with a balance sheet item which is the capital account. Now we have this confusion at this point. The impact on the cash flow will remain the same. But we must understand the inherent differences between the two. Now to the extent that we are talking about capital expenditure which will enable us to develop a project that will have life and a return over time, the only criterion that should be satisfied is the desirability of the project. I am somewhat reluctant to lump the two things together. However, I am very careful when I look at current expenditure and revenues to ensure that in that group - this is what the businessman will look at - whether I am running a surplus or am I in the red with my current account. As I said, the capital account is going to be with us for years. But if you want to be accurate in any given year you should see if we are going to be in deficit or otherwise.

On the high interest rates, I am sure that Senator Barker knows better and I hope that I am right. When he said that he could not understand the high interest rates, there are two problems that we find here. We are talking about the fiscal deficit and the disequilibrium of the balance of payments. It is felt that if you increase the interest rates looking at the external balance that we are seeking to correct that local people, if we are paid, will borrow less to prepay on goods. If you have to borrow the finance, then there will be the higher cost and you are likely to import less. There is another argument which I have never paid attention to. The other concern is that with the high interest rates perhaps there may be some capital increase. I do not think that it has ever been seen in Barbados. As one trained, you would have understood the implications as a first step and recognized that they have side effects in terms of the internal sector of the higher rates of interest. But you will recognize that it was an attempt to include the external sector.

In summing up, we are all in this together.
4.05 p.m.

There is just one point I wish to make. Senator Mottley cannot approbate and reprobate at the same time when she talks about the IDC position. I have looked at the IDC since becoming Minister of Trade and there are many

functions which it performs. There is investment promotion, it has since taken upon itself a construction division, it is carrying out printing in-house, it has a public relations group, there is training, production and marketing, and all these are under the ambit of the Industrial Development Corporation.

Sometimes out of adversity we are forced to come back to basics and find out what the real purpose is. I think that while we may have to cut back on some programmes, we need not suffer in terms of our main purpose. I think this would be very much enhanced if we could get our attention back on stream as to why we exist. That is the first thing. In terms of any reduction for the IDC, I do not see it in terms of our primary objective.

I think we have also been reckless in Barbados when we believe that we can operate in isolation. We talk about this open economy, but I wonder how many of us really think seriously about what it means. I am sure you know about the multiplier effect and the accelerated effect. The accelerated effect does not work for Barbados, because we do not manufacture, we do not have the volatility within inventories, but what we must bear in mind is that our leading industry in Barbados in terms of foreign exchange is tourism. Once the accelerated principle begins to operate in those other places and there is a recession, we have to slow down the rate of growth, whether we like it or not. Therein is the problem, and I would hope that those of you who have the time, energy and knowhow would begin to look at the relationship which exists between the accelerated principle and that operating in our major tourism generating centre and what sort of impact it will have.

That is why I talked about intellectual honesty. We do not have to score cheap points, because at the end of the day somebody will say the Honourable Senator is an economist and certainly this is what you would have expected him to look at. This is what we are engaging in here. Not that we should take pride in being where we are today, but at least that we have the political will and the understanding to right to ship and put it back.

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

The question was put to the Senate and agreed to.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Acting President, this has been certified as a money Bill. Consequently, I move that this Bill be now read a third time.

The question was put to the Senate and agreed to.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Acting President, I move that this Bill do now pass and be cited as the Final Appropriation (1990-91) Act, 1991.

The question was put to the Senate and agreed to.

ORDER NO. 5 – THE IMMIGRATION (AMENDMENT) BILL, 1991

SENATOR A. MORRISON: Mr. Acting President, the purpose of this Bill is to amend the Immigration Act in order to grant permanent residence to nationals of Member States of the CARICOM Community who have made outstanding contributions to the development of the Caribbean region.

The background to this exercise, Sir, is that at the 9th meeting of the Conference of Heads of Government of the Caribbean Community, which was held in Antigua in 1988, that conference agreed to the establishment of a system of regional honours for CARICOM nationals who have made outstanding contributions to the development of the region. In accordance with Article 7 of the Agreement, the honour, to be designated the Order of the Caribbean Community (OCC), would confer the title "Honourable" on its members and would enable them to the privileges of residing, engaging in employment, also acquiring and disposal of property in any of the Member States normally accorded to citizens. Members would also be issued with a travel document, the equivalent of a diplomatic passport, as well as their spouses and their children under 18 years old. Member States would also assign the appropriate rank in the Order of Precedence of their respective States.

The proposed Agreement for the establishment of the Order provides for a seven member committee of representatives drawn from the OECS Secretariat and each of the other Member States of the CARICOM Community. The committee also will investigate and consider nominations and make appropriate recommendations to the Conference of Heads. At this time no meetings of the committee have been convened.

The Agreement was signed on behalf of the Barbados Government by the Minister of Foreign Affairs on May 16 this year at a meeting of the Standing Committee of Ministers responsible for Foreign Affairs, which was held in Barbados some time in May. The Agreement instituting the Order of the CARICOM Community entered into force on May 28, 1991. The signatures of all the Member States are required to give effect to the Agreement.

The Heads of Government, at its 12th meeting held in St. Kitts in July, agreed to confer the first awards of that Order to three outstanding West Indians, namely, Mr. William Demas, Mr. Derek Walcott and Sir Shridath Ramphal.

This amendment we are asking for today to the Barbados Immigration Act would have the effect of conferring on members of that Order the right to reside and engage in gainful occupation in Barbados and to acquire

and dispose of property in the same manner in all respects as if they were citizens of this country.
4.15 p.m.

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

The question was put to the Senate and agreed to.

On the motion of SENATOR A. MORRISON, Mr. ACTING PRESIDENT left the Chair and the Senate went into committee on the Bill, SENATOR THE Rev. CANON J. L. SPRINGER in the Chair.

COMMITTEE

Mr. CHAIRMAN: The Senate is in Committee.

Clauses 1 to 4 were called and passed.

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

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

ORDER NO. 1 – RESOLUTION TO APPROVE THE VESTING IN N.H.C. OF LAND AT BARTLETT'S TENANTRY, CHRIST CHURCH

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, this Resolution relates to the acquisition of some 10,327 square metres of land at Bartlett's Tenantry in the parish of Christ Church. It is proposed that five parcels of land be acquired for the purpose of resiting persons who presently live at Emmerton Lane in the City of Bridgetown. These persons who live at Emmerton Lane have for several years been affected by the sewerage treatment plant and whereas other persons in that area were sometime ago relocated to Clapham, these are some of the remaining persons who need to be translated to another location.

It is the usual policy of the Ministry of Housing and Lands to relocate persons within their communities, but since it was not possible to take these persons to Clapham they have been taken to Bartlett's Tenantry which is not too far distant from some of the other persons who would have shared a similar community at an earlier time.

I beg to move that this Resolution do now pass.

The question was put to the Senate and agreed to.

ORDER NO. 2 – RESOLUTION TO APPROVE COMPULSORY ACQUISITION OF LAND AT CLEVEDALE ROAD, BLACK ROCK, ST. MICHAEL FOR CANALISA- TION OF AN EXISTING WATERCOURSE

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, the Resolution relates to the acquisition of 25 square metres of land at Clevedale Road in Black Rock, St. Michael. Apparently when the Ministry of Transport and Works was carrying out certain canalisation works in the area it used land belonging to one Ronald McLawrence and although this work was completed several years ago, no payment was ever made to the person nor was any step being taken to acquire the land. The action which we are proposing today is really to clear up an action that happened in 1985 and the gentleman has been deprived of the use of the small strip of land and has not been compensated for it.

The purpose of this resolution is to allow him to be compensated for the land. As I said, 25 square metres or some 269 square feet of land at a cost of \$134.50.

I beg to move that the Resolution be passed.

The question was put to the Senate and agreed to.
4.25 p.m.

ORDER NO. 3 – RESOLUTION TO APPROVE THE PUBLICATION IN THE OFFICIAL GAZETTE OF NOTIFICATION OF THE ABANDON- MENT OF THE ACQUISITION OF LAND AT BRIDGE ROAD, ST. MICHAEL

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, it will be recalled that when reconstruction was being carried out at Bridge Road in the parish of St. Michael, sundry lands belonging to persons who were abutting and bounding the roadway were deprived of the use of the land. In most cases the compensation took place several years after the land had been used.

In the instant cases the usual section 5 notice which vested these parcels in the Crown was done, but it was found out subsequently that there were errors in the surveying and that in fact these two parcels of land had not been used for the purposes of extending the width of the Bridge Road.

In addition it was felt that since these were two small parcels of land, and because the area is flood prone, that an examination should be carried out to determine whether or not the owners of these lands would be disadvantaged when rain falls or if flooding occurred at any later date. That examination revealed that the two pieces of land are

hilly in nature and not likely to be areas which would be flooded. Therefore the Crown decided that it would not be of benefit to the owners of the land if the Crown decided to acquire them that they should in fact arrange to abandon the acquisition and return the lands to their owners.

So that the two small parcels of land acquired from the estate of Letitia Olliviere and from Cynthia Dottin, measuring 40 square metres in the case of the Olliviere property, and 10.4 square metres in the case of the Dottin property, it is proposed that these be returned to the owners and that the acquisition be abandoned.

I beg to move that the Resolution be passed.

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

**ORDER NO. 6 – RESOLUTION TO APPROVE THE
USE, FOR HOUSING PURPOSES, OF LAND
AT HAGGATT HALL, ST. MICHAEL,
COMPULSORILY ACQUIRED FOR
THE PURPOSE OF RELOCAT-
ING THE HEADQUARTERS
OF THE TRANSPORT
BOARD**

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, this Resolution which comes before us is probably the end of a line of debates which have taken place relating to this land at Haggatt Hall which was originally acquired for the purpose of resiting of the Transport Board.

The land, which is owned by the Crown in its right of Government, is no longer required for use by the Transport Board Headquarters, because, after the construction, expansion of the Adams, Barrow, Cummins Highway some of the lands were utilised and in addition the entrances and exits to the property were affected. Moreover a revamp of the plans for the Transport Board indicated that the size of the land would be inadequate for total resiting of the Transport Board from Roebuck Street.

In June of 1985 the House of Assembly had approved the original Resolution and the Crown acquired some 4.868 hectares of land for the purposes which I have just referred to. It was in December of 1989 that the Ministry of Transport and Works indicated, after examining the matter and having a first hand look at the implications of siting in the area, on the advice of the architects that the development of the site should no longer be pursued.

The Government is faced with a situation where it is necessary to resite certain tenants who had been squatting in a zone 1 area in the Belle. This location is considered to be a suitable and adequate one after the installation and the

use of infrastructure to permit these persons to be relocated.

The design for this land suggests that there can be residential subdivisions for some 93 lots and although all will not be used for the resiting of the persons from the Belle, others will be available under the Ministry's sites and services programme.

I beg to move that this Resolution do now pass.

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

GET WELL WISHES AND SYMPATHY MESSAGES

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, before I invite the adjournment of the Senate, I think that it would be remiss of us in the Senate if we did not indicate to the President of the Senate, our best wishes for his speedy and effective recovery from the illness which causes him to be presently hospitalised at the Queen Elizabeth Hospital.

I believe that after our President, Sir Frank, went to Geneva and returned, most of us were anxious to see him back in the Chamber and the more recent news about his hospitalisation, just over a week ago, caused some of us to go numb.

My information is that he is showing signs of quick recovery and we would wish, Mr. Acting President, to have our regards and best wishes and these sentiments conveyed to him, and we so ask.

Mr. ACTING PRESIDENT: I should like to be associated with the sentiments of the Honourable Leader of the Senate. I have been following the progress of the Honourable President of the Senate and while his progress has been slow according to reports, I have now learnt that he is showing some signs of improvement, which we are very grateful for, and I am sure I can express the sentiments of all Members of this Honourable Chamber when I ask to have it conveyed to his family that he returns to full health in as short a time as possible.

At this time, also, I should like to state that we in the Upper House would like to extend our sympathies to the relatives, friends and all of those connected with the late K. N. R. Husbands who has been called to higher service. He has served us very well in this country and certainly he has served in the other place as the Speaker of this House, as a Minister of Government, and we are deeply conscious of the great contribution which he has made to this country. We should like to extend our condolences to all the bereaved.

4.35 p.m.

SENATOR T. E. BARKER: We on this side would like to associate ourselves with both Resolutions. We would like to extend our condolences to the family of Sir Kenneth Husbands and wish Sir Frank a speedy recovery.

SENATOR A. MORRISON: Sir, I think that it is appropriate that we should also express our condolences to the family of the late Sir Keith Gollop who is the brother of Senator Straughn. We owe it to our dear Senator to express the Senate's regards and condolences to her on behalf of her brother's death.

Mr. ACTING PRESIDENT: Thank you, Senator Morrison. It would have been very remiss of us to pass up an opportunity to do so. I am sure on behalf of all of the Members of the Senate that we should like to have it recorded that we express our condolences to Senator Straughn whose brother passed away.

SENATOR Mrs. A. STRAUGHN: Mr. Acting President, I should like to thank the Members of the Senate for their condolences and I must say that the Senate was well represented at the funeral. May I add that death is a shock but it was a relief for wanting of his suffering for many years.

ADJOURNMENT

SENATOR THE HON. L. V. H. LEWIS: Mr. Acting President, I beg to move that this sitting be now adjourned *sine die*.

Mr. ACTING PRESIDENT: The question is...Senator Barker.

SENATOR T. E. BARKER: Yes, just one question. Can the Leader give us an assurance if we are meeting next week? I may have to be out of the Island next week.

SENATOR THE HON. L. V. H. LEWIS: The only assurance that I can give is that if there is Public Business to be done next week Honourable Members will be so circulated and a meeting will be summoned. I anticipate that we will meet next week because my understanding is that the Other Place should meet on Tuesday and then go into recess, in which case business of this place will be conducted on the following day and we shall also proceed into recess.

I move that this sitting be now adjourned *sine die*.

The question that the Senate be now adjourned sine die was put to the Senate and was agreed to, and Mr. ACTING PRESIDENT adjourned the sitting accordingly.
4.45 p.m.

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