
THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1991 - 96

SENATE

Wednesday, December 16, 1992

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, December 16, 1992, at 11.20 a.m.

PRESENT

His Honour Senator M. deL. JORDAN, (President);
His Honour Senator J. J. Payne, (Deputy President);
Senator the Honourable L. V. H. LEWIS, G.C.M.,
(Minister of State, Ministry of Finance and Economic
Affairs)(Leader of the Senate);

Senator A. MORRISON;

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

Senator A. J. N. PHILLIPS;

Senator the Honourable Dr. C. D. CLARKE,
(Minister of Labour, Consumer Affairs and the
Environment);

Senator Dr. Frank W. ALLEYNE;

Senator Mrs. M. BARKER-WELCH;

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

Senator Mrs. M. WALCOTT, S.C.M.;

Senator the Rev. Canon J. L. SPRINGER;

Senator J. G. BELLAMY;

Senator T. E. BARKER; and

Senator Miss M. A. MOTTLEY.

Prayers were led by Rev. Errington Massiah.

Mr. PRESIDENT: The Senate is in session.

PRESENTATION OF PAPERS

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

The Agreement for the Establishment of an
Assembly of Caribbean Community Parliamen-
tarians.

The Annual Report of the Barbados Industrial
Development Corporation for the period April 1990
to March 1991.

Guarantees Granted under the Exempt Insurance Act,
Cap. 308A to the following:

River View Insurance Company Limited,

Frontier Insurance Limited.

QUESTIONS TO MINISTERS

Mr. PRESIDENT: Senator Barker.

SENATOR T. E. BARKER: Mr. President, I have
submitted to the Clerk of this Chamber, a question to the
Minister of Labour, Consumer Affairs and the Environment
relating to the importation of sugar.

Mr. PRESIDENT: Thank you. We have got a copy
of the question which has been passed to me by the Clerk
of Parliament.

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

Mr. PRESIDENT: Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move the suspension of Standing Order 45(2) to enable the Honourable the Senate to deal with 4 Bills which are on today's Order Paper.

The question was put to the Senate and agreed to.

INTRODUCTION OF BILLS

Mr. PRESIDENT: Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move that the following Bills be read a first time:

The Consumption Tax Act, CAP. 63.

The Betting and Gaming Duties (Validation) Bill, 1992.

A Bill to amend the Anglican Church Act, CAP. 375.

A Bill to amend the Local Loans Act, CAP. 98.

A Bill to amend the Stabilization Tax Act, but it is not proposed to proceed with that Bill today.

The question was put to the Senate and agreed to.

TRIBUTES

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, before we proceed with public business today, I would like to crave the indulgence of this Honourable Chamber to pay tribute to 2 of our Members who have recently been honoured in the Independence Day honours.

Mr. PRESIDENT: You may proceed. Notice has been given to me before.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, this occasion presented here today gives me the greatest of satisfaction and pleasure to witness and to pay tribute to 2 of my oldest friends. Let me hasten to add, when I say oldest, I don't mean chronologically but rather contemporaneously for I have known them both for well over 40 years in each instance.

First, Mr. President, let me recognise the contributions which our distinguished – both in the demeanour and the performance – Leader of this Honourable Chamber has made to the social, religious and economic life of this country.

Too often, Mr. President, when some of our citizens are honoured we often believe that the honour is awarded for the last 5 or 10 years of high visibility service. Let me

disabuse the detractors of this notion in the instant case. The Honourable Lawrence Vernon Harcourt Lewis, G.C.M., while at school at Combermere where I first met him sometime before 1950, not only distinguished himself academically but also in scouting and the furtherance of his own religious faith. At that time, or during those years, two things in particular struck me about him.

1. Although there was a scout troop at Combermere – the No. 1 Scout Troop in the country – he did not elect to join that scout troupe but rather elected to remain and keep his membership in the Bethel Scout Troupe, where he went on to earn the King's Scout – in those days there was a king sitting on the throne – badge. I believe he has continued, long after leaving school, to serve in the administration of scouting in Barbados.

11.30 a.m.

2. I should also hasten to point out that during this time at school the Headmaster was the Rev. A. E. Armstrong, a priest in the Anglican faith. It was therefore not too much to expect that most of us would have become Anglicans. Harcourt chose to remain faithful and loyal to Methodism, so much so and in testimony to his belief, that he became a local or lay preacher while still at school, and it led most of us at the time to speculate that he was destined for the ministry in the Methodist Church.

It is clear from what I have said so far, Mr. President, that even at this early age Harcourt had developed a sense of loyalty, faithfulness and commitment to any cause in which he believed. On graduation from high school he was invited to serve on the staff of Combermere as an Acting Master. This was an honour reserved only for the academically gifted, and this he did before going into the Public Service of Barbados.

It was around this time, just shortly after leaving school, that an incident arose which characterised his social consciousness and his racial pride. Bethel Church, up to that time, always saw fit to have caucasian ministers in charge of the church and the circuit. There was then serving a young Englishman, then fresh out of England, who, during some altercation on the compound, either kicked or threatened to kick a young black male. It was Harcourt Lewis and his good friend, Victor Cooke, who led the charge to have that minister removed. Remember, this was not the 1970's or the 1980's when there was an upsurge in black awareness; this was at a time when all the top positions – and bear in mind that Harcourt at that time was a young civil servant – in the Civil Service were held by Englishmen, and he had a future to look forward to in the Civil Service. In my opinion, this showed courage, social consciousness and racial pride.

Lest we believe he was successful in all his endeavours, let me set the record straight. As a high school student he toiled valiantly to secure a place on the school team in cricket, field and track and/or soccer. He failed in the first two disciplines and had a rather occasional career on the school's football team. However, on leaving school he joined Notre Dame, then a 3rd XI team, and fortunately for that team, for it was not until after his playing days in that club, brought on by a broken leg from doing some high jumping one night in front of some young ladies that Notre Dame was able to advance to the 2nd XI and then on to the 1st XI in the Barbados Football Association's competition.

Mr. President, all of us are aware of Senator Lewis' outstanding public service, first in the Accountant General's Office and then in the Ministry of Finance. Most of us are also aware of his organising ability in establishing the Barbados National Bank, the Barbados Mortgage Finance Company Limited, the Barbados National Petroleum Corporation, and, upon his resignation from the Public Service, assuming the leadership of the National Development Foundation; and of course we know him here as Leader of this Honourable Chamber.

Throughout these achievements there was constantly at his side a very charming and beautiful lady, his wife Claudette. Mr. President, I can see the Honourable Senator getting nervous at this stage, for fear that I might reveal everything he thinks I know during the courtship, but I will only make one comment here. I remember only too well, for in those days I used to visit Bethel, hurrying away from the 7 o'clock service to get very close to St. Ambrose and became very upset if they sang too long in the 7 o'clock service at Bethel. But Senator Lewis can relax because I have no intention of going any further on that at this point in time.

Suffice it to say, Mr. President, that this is an honour earned and merited in many spheres of life in Barbados and, in my opinion, long overdue in coming. Harcourt, my friend, I salute you on receiving the GCM in recognition of your long and distinguished career. This national honour is but the first in what I now forecast will be others to come.

And now, with your indulgence, Mr. President, I should like to turn to my other long-standing friend, Senator Amory James Navarro Phillips. We not only shared Combermere School in common – he was there too during the time Senator Lewis was there – but he also, like myself, attended St. Giles' School, then the *crème de la crème* of elementary schools in Barbados. At high school it was not the usual thing to know juniors very well. He was my junior, but I got to know Amory very well because he was also a member of my set, set F, and I think at that time I might have been a prefect.

He was at that time a well disciplined young man, who dedicated himself to his educational pursuits. He tried his hand at cricket and represented the school in the 2nd XI in the Barbados Cricket Association's competition. He did show some promise at that sport, but his commuting distance prohibited him from participating more fully in the athletic and social life of the school.

Upon leaving school, unlike most of us and most of his contemporaries who sought permanent employment in either teaching or the Civil Service, Amory chose commerce for his apprenticeship in the world of work. After serving for about 19 years with Plantations Limited, rising to the position of Manager of the lumber yard, he felt the time had come to move on. He did this by establishing, along with others, most of whom were his fellow school mates, the Barbados Lumber Company in 1973, where he is still Managing Director.

Although his contribution in the world of commerce is significant, we must try to put it in perspective in the time and place. We are talking about 1973 where a young man sets out and seeks to enter an already well-established field, dominated by a few large firms. The success of a business is judged by its survival and its succeeding. However challenging enough this was, his greatest challenge was yet to come. It is now history that he has distinguished himself by taking a moribund horse racing industry and not only injected new life into it but has also transformed its headquarters at the Garrison through a thorough overhaul of the physical facilities.
11.40 a.m.

He has been able to reduce the industry's debt to Government. Before he took over, the industry owed the Government lots of money from taxes withheld on tickets and not paid over. Under his presidency, it has been able to reduce that debt and, furthermore, before he ascended to the presidency the industry used to enjoy certain tax concessions from Government. These were removed under his presidency and the industry has survived and improved.

His contribution to horse racing must be recognised especially within the very nature of that sport. This sport was once heralded as the king of sports or the sport of kings where black Barbadians found jobs only as grooms or bar tenders in the club house and only occasionally as jockeys and even more rarely as administrators in the industry.

For Amory to not only enter the field as a horse owner, as a breeder with his own stud farm but to become President and Chairman of the Board of Directors of the Barbados Turf Club should be a model to all young Barbadians that the only doors that are closed to you are those which you choose to close yourself. The youth should also recognise that the only opportunities denied to them are those that they do not seek or those offered which they

fail to grasp. Amory must be recognised from here on in as the saviour of the horse-racing industry in Barbados.

To the economic and social life in Barbados, his contribution does not end here. I will not dwell on his philanthropic work which he has done in the North of this country or his own personal contributions to various sporting clubs in Barbados. Many of you will also recognise his sterling contributions to public life as the distinguished Chairman of the country's only indigenous commercial bank and his contribution to education as a member of the Board of Management of St. Lucy's Secondary School.

Mr. President, let those amongst us who would seek to belittle or diminish the significance and the merit of these honours conferred upon Senators Lewis and Phillips, first seek to emulate their commitment to service and then try to equal their performance in as many and as diverse fields.

To both of you, my old friends, I salute and congratulate you on your well deserved and merited awards of the Gold Crown of Merit.

Thank you, Mr. President.

SENATOR Mrs. V. C. FRASER: Mr. President, on an occasion such as this it is rather difficult when one has 2 very good friends who at the same time have been honoured. However, I should like with your indulgence to speak to both persons at this time. I shall take the younger one first. That is Senator Amory Phillips.

Amory's association with me goes back a long time. He is a very devoted person in that our friendship goes back to his riding a bicycle or hopping a lift with L. O. B. Thompson to Culloden Road to see a girl friend who was my very good friend. You would know to come from St. Lucy to Culloden Road every evening was not a mean task. That shows you the devotion.

As a personal friend of mine I always admired the qualities of Amory Phillips. I think that just to say horse racing is what he got his honours for would narrow it down and would dilute the sort of contributions that Amory Phillips made to the youth of Barbados long before he was with the Barbados Lumber Company. Amory is one of those people who has been able to entertain young people at his home, making provision for them and has been able to involve himself with many poor and senior citizens and provide for them. He has always had a burning desire to see certain skills develop in the schools. To this end, he was up front in pushing the arts and crafts, woodwork, in the schools. Many people may not know this but debating was Amory's brainchild.

Amory has been a person that can be relied on. He will not get involved in an organisation if he cannot give his best. I have nothing but profound confidence in Amory as a friend. He is a person to whom you can talk. If he gets vexed, he calls me back soon after and says, "Fraser, girl, we are still friends?" and we go on as usual. We are accustomed to ragging each other and I was very happy when I came in the Senate that he was seated on my left, nearest my heart, because this is really my true friend.

Amory is a person who thinks of Barbados and he often calls me very early in the morning and we talk about things concerning Barbados. He loves his country with a passion. I can tell you that. Because of this, he will do anything to see Barbados go forward. So it is no surprise to me about any of the posts he holds because he is ably suited and he continues to learn. He is not a person who will say he has learnt it all. He continues to attend conferences and he always tells me about the new things he has picked up and how he would like to see them implemented in this country.

Amory, I say to you. You have served humanity well and you are continuing to serve humanity. I know that someday you will get another honour and a greater one. If you do not get that greater honour here I am sure you will get that greater honour when you go to your Maker. I wish you all God's blessing. I know that honours do not mean anything to you. What you like is action and you like to see people being helped.

It is always difficult when you have to go to the other person. I have known Senator Harcourt Lewis or he will tell people he has known me before I knew myself, as he said in here when I got the Honour. We come from a place where there are some of the greatest people who have served Barbados. We were all born in the Bay Land and we are very proud of that. We have produced world renowned figures - Garfield Sobers and Harcourt Lewis who is affectionately known as Harry.

Harry is a person who comes from a family which knows about service to humanity. His dear little aunt is still serving the Methodist circuit and everywhere else she can and all the old people in the vicinity. He was doing the same for a very long time. He would pick up many people in his car, indeed, including me. When I was a student at the Housecraft Centre I would get a lift too. He was never the type of person to talk about any of his achievements though there were so many. You would call him to congratulate him and he would be very shy about it. You could not risk talking too long about any of his achievements. He is that kind of a private person. He would talk about your achievements when you start to talk about his.

11.50 a.m.

He has been a great family man. This is one of the qualities I admire greatly in him. His home comes first – his lovely wife Claudette who is always beside him, and his 2 sons. His wife has always stood by him (she is a real homemaker) and his 2 sons. They all love him dearly and he loves them dearly. I know this personally because I am associated with the family. The qualities he instills in his children of devotion to God and the sort of worship they have in their home has inspired me on many occasions. He is also a devout believer in divine guidance. I can tell you that he does nothing except he prays about it.

Harcourt has achieved and attained many things. One of the outstanding things that made me see the magnanimity of the man was when he came from the position of a Permanent Secretary to come to a little lowly place called the National Development Foundation to give up a big salary to work for nothing to help small business people. He went on until we could find some money. Money was not a question for him. Not that he did not need it, not that he did not need to support his family, but he never put that first until such time as we were able to pay him something. We cannot call that money either.

It seems as though we have something in the National Development Foundation that as soon as one comes in he gets a promotion. The first President was a Governor-General. Senator Lewis became a Minister and a Senator. Then there were Senator Jordan, Senator Goddard and myself. The National Development Foundation is producing Governor-Generals, Senators and all sorts of esteemed citizens of Barbados. Up to now he remains the Trustee of the National Development Foundation. Anything he can do, if he goes anywhere and meets anybody who is interested in helping Barbados, he would come back and say to me, "Why don't you all write so and so and get that kind of assistance."

I am very happy on this occasion to associate myself with the remarks of Senator Clarke and also to say to Harcourt in closing: May you sail on the seas of ambition, and land on the harbour of success. With God's guidance and keeping him ever before you, you will continue with our prayers to go on to greater and higher things. God will protect you because he hears the prayers of humble people.

Thank you, Mr. President.

SENATOR Mrs. A. STRAUGHN: Mr. President, I would like to just add my contribution which will, indeed, be very short and will be more or less adding something rather than repeating what others have said so that I would not get RIP at the end because when you go on in this type of strain there is a tendency to put RIP at the end.

Aside.

SENATOR Mrs. A. STRAUGHN: "Return, if possible." I should like to congratulate the 2 Senators. I have done it before but not publicly. This is the culmination of devoted service through loyalty, commitment and service not to themselves but to their country.

I believe, and I have said this before, but not in this place, that a lot of what people achieve is due to their early socialisation. Both these Senators have had the rare privilege of going to a secondary school which develops the whole person. I know they came up through Elementary. Combermere School, the sister school to St. Michael School, was famous for developing the whole person. These 2 schools, like many of the others of their calibre and vintage, produced people who contributed to the fabric of society. They did not produce stardoms and stars. They produced more a milky way where you got a galaxy of people, a galaxy of stars that you could look out and see. You did not have to peer and see. In congratulating them I want to congratulate Combermere School and any other school of that standing. Theirs, I consider, was not a life of competition but a life of achievement, which makes the difference. When we compete we aim at stardom. When we achieve we aim at whole contributions.

I must give Harcourt the edge on a certain thing. I know that Senator Amory Phillips will not be angry at this because it is a fact and a boast at the same time, and that is for his punctuality. Senator Lewis is a stickler for punctuality. I have had my personal experience in that. I believe something rubbed off because part of his claim to fame, and a big part, is that he had the sense to choose a wife, a product of St. Michael School. I must take a little bit of that because she was a personal student of mine. I am going to be brave enough to say that something rubbed off and then something rubbed back off. I am sorry I cannot say the same for Amory but I do believe he had the good sense to choose somebody who could boost his achievements.

On behalf of my family, they have my heartiest congratulations. It is true that they now rub shoulders with me because I had achieved that honour quite a while ago. I am not boasting but I am glad to be even able to rub shoulders with them at that level. In addition to my congratulations I want to give them the best of wishes. I have no doubt they will continue in giving excellent service to this country.

Thank you, Mr. President.

SENATOR T. E. BARKER: Mr. President, I want to join in offering my sincere wishes and congratulations to both Senator Lewis and Senator Phillips and to wish them well in the future because I believe they are both young enough to offer many more years of good service to the people of Barbados.

The first time I met Senator Lewis, he may not remember this, was in 1978 where, as a younger man, embarking on a venture, I had to go to his office. From there I sensed that he was a man of business, a man who did not stand for foolishness. I want to thank him for the help he gave me at that particular time. He might not remember but I have not forgotten.

I want to let him know that his honour is well deserved. He has spent many years in good service to the country. In spite of what people might think of the National Bank, it is a good indication of his talent. The country of Barbados will never forget in spite of all that we are hearing. I am not going to get into the controversy because this is not the place for it. I believe his service to Barbados is a matter of public record. Nothing I say can add to it or detract from it because the truth is written down.

12.00 noon

I want him to know that in spite of whatever may be said he can walk with his head high knowing that he has served the people of Barbados well. I just want him to know that there are higher honours both on earth and in Heaven. I am particularly happy to note that he is a Christian gentleman. To me, that is of tremendous importance. No doubt the influence of the Church played and is playing and will continue to play a most positive and vital part in his life. I wish that others would emulate his devotion to Christian duty and Christian service because it makes you a much better man. I am sure that Senator Lewis would admit that the church made him the man he is today.

I want him, for the rest of his many years, to continue setting an example to those who are coming up to show that service to God adds to the individual. It never takes away.

Sir, I have known Senator Phillips for a much shorter time. Permit me to say one last thing with regard to Senator Lewis. He has treated me with a lot of respect for the almost 2 years that I was in here. Even although we are adversaries, in a sense, I can say that I have got a lot of courtesy from Senator Lewis. I in turn will endeavour to reciprocate. And even when election comes near I wish him to extend the same courtesy to me.

As I was saying, with regards to Senator Phillips, I have only known him for a short time, just under 2 years. I may have met him on one or two occasions but the first time I spoke to him was when I became a Senator and we locked horns in debate. I am thankful that I have known him. I always look forward to his contributions. He is a man of integrity, without bitterness, as far as I know, without rancour.

Aside.

SENATOR T. E. BARKER: Unlike me?

Mr. PRESIDENT: Senator Barker, address the Chair.

SENATOR T. E. BARKER: Sir, Barbados should be proud of itself that we can show people of character and integrity. It augurs well for the future that we have men who can set an example for the younger ones to follow.

I wish Senator Phillips continued success. It is remarkable that the business of which he is Managing Director had to challenge the establishment of that with regard to its enterprise. They have come out pretty well. I wish that he would continue to ensure that in years to come the name of that business will keep on being a standard bearer for a new entrepreneur. As we seek to get out of the economic rut we need the entrepreneurial spirit to be rekindled. In that regard, Senator Phillips has set a very good example.

With those words I wish both Honourable gentlemen well and may they continue to aspire and to achieve. God Bless them both.

Mr. PRESIDENT: Senator Barker-Welch.

SENATOR Mrs. M. BARKER-WELCH: Thank you, Mr. President. Just a very few brief words to join my other colleagues who have spoken. I wish to congratulate both of those gentlemen. Apparently, everybody here knew Harcourt for a very long time. I have known Harcourt for a long time. His father was a teacher and I think some his home training had a lot to do with the way he has developed.

For me he is a person you can trust. Any time I have needed advice on what to do next, I have been able to get it from Harcourt. The advice has always been well-founded, very solid advice. It has never failed. To me one of his great attributes is that he does all these things with a certain calmness and a quietness of manner.

I do wish that some of the young people now would emulate the way he has ordered his life, his family and how he has kept faithful to his church and to the various organizations to which he has contributed.

I wish him success in the remaining years, which everybody here is hoping will be many, many. I also wish to congratulate Senator Phillips whom I do not know as well as I know Harcourt or Harry as we familiarly call him. But for the time that I have known him I too like my other colleagues have been impressed with the amount of work that he has done in Barbados in all fields. Again there is a certain amount of quiet calmness which is so lacking in today's frenzied world, when everybody is tearing their hair out and waving and so on. To have people who are

quiet and calm about what they do and with the work he has done, without any fanfare.

I am very happy that he has been given this Honour. I think that 2 more deserving persons could not be found. I am joining all my colleagues in congratulating them and hope that the work that they have been doing will continue for as long as is possible.

Thank you.

SENATOR A. MORRISON: Mr. President, it might be discreditable for me in paying tribute to two most gallant Senators to express my own view, at the beginning, about how I view Senate Honours. I made the remark years ago that I prefer to be a living dog than to be a dead Sir. And so is my excursion into the area of Honours. Be that as it may, I think that those of us who have served our country well and who have made signal contributions in our own way to the development and welfare of this country are deserving of Honours. In this respect I cannot think of 2 more deserving persons than the Leader of the Senate, Senator Lewis and my good friend, Senator Phillips.

Senator Lewis has had a very long and chequered career in the Civil Service which has been enumerated by my good friend Dr. Carl Clarke. I can only endorse all of the remarks that have been made by Dr. Clarke in that respect. I think that Senator Lewis' Honour is very well deserving. He is very good at organization. He is a no-nonsense person and he has been able, in whatever area of operation he has been put, to get things done. I believe that with this Honour he can go forth and continue the good work which we know he is capable of doing.

As far as the Christian aspect of his life is concerned, I am not also qualified to speak in that area, based on my being a disorganized Christian and I do not pretend to pronounce on matters ecclesiastical.

As far as my good friend, Senator Phillips is concerned, I think that I am particularly happy on his behalf in that he has been the silent mover behind all things that are good and beautiful. You do not see him in the actual operation but we know that he is so discreet and such a good mover that we usually get things done. His hands are always clean. That is a peculiar virtue, Sir, in that whatever he does, however clandestinely it would appear at some times, one cannot point a finger at the good Senator. His work has transformed his colleagues and his friends in the parish of St. Lucy. He had done yeomen service to his country folk and poor persons. In that respect I take off my hat to him because in the honours that go I have already received my honour because coming from Lodge Road, Christ Church - I am a Lodge Road man - and the people have already honoured me when they sent me to the House of Assembly with that most remarkable

victory and stand here on behalf of Lodge Road and Christ Church. So, no honour could come to me from the Government by way of National honours to more or less take over the honour which I have been given and that is why in my opening remarks I said that I have been well and truly honoured in my own time. I believe that the work which Senator Phillips has done among the common folk in the parish of St. Lucy is something to be highly commended and he should be very highly esteemed in that regard. I think he is very well deserving of that honour and I hope he will continue to shine. He has brought comfort, he has brought housing and shelter to many of his fellow men. He has also brought a kind of stability to most of his friends and in pursuance of all of those things he has remained a very perfect gentleman as Chaucer has said.
12.10 p.m.

In closing, I think in reference to Senator Lewis again, I believe that in the different occupation which he has held, even if he had to become a pimp, a certain measure of satisfaction could well be his ...

Mr. PRESIDENT: We cannot permit that sort of comment.

SENATOR A. MORRISON: It is not anything derogatory, Sir. I am saying that Mr. Lewis is so well equipped that whatever occupation that he might find himself in, I believe a certain measure of success would be his due to his wits and his means of survival.

Mr. PRESIDENT: All right, that is better. Thank you.

SENATOR A. MORRISON: He listens. I remember George Moore. I have always admired realistic writers, D. H. Lawrence and a man called George Moore who did not show emotions in what they had to do. I remember when George Moore was called to the bedside of his mother who was dying, he got there late. Someone said, "George your mother is dead". He said, "No big thing I have been saved the useless pain, the torture of spirit which would have been mine had I arrived in time. She is now dead". I think that Senator Lewis has those qualities to remain calm and cool in the hour of disaster. That is why I made the reference just now that whatever occupation he has been called upon to do, he has had a certain measure of success.

Again he displays the qualities of George Moore when he was cast among other literary men. George Moore was very big and aloof. I can hear George Moore saying again, I, with the patience of cat at a mouse hole I listened and I heard and though I laughed and talked with them, I was not of them. These are very good words to personify a character who, in all the different occupations he has enjoyed over the years, he has kept that uprightness and that principle in getting the job done.

My friend, Senator Phillips, also has that kind of appearance of solitude and contentment which again, Sir, portray men of very deep thought and men of dedication to job in hand and the Honours Committee could not have come up with 2 more deserving recipients at this time in our twenty-sixth year of Independence than our Senator Lewis and our Senator Phillips.

With these remarks, Mr. President, I salute both of my senate colleagues and I wish them to go on some day to reap the highest awards which this country can offer. I thank you, Mr. President.

Mr. PRESIDENT: Senator Payne.

SENATOR J. J. PAYNE: Mr. President, I believe I could not allow this occasion to pass without adding a few brief words of commendation to the 2 honourees, the Honourable Senator Lewis and Senator Phillips.

Mr. President, I have known these 2 gentlemen for a very long time but let me hasten to admit that I have only got to know them very well within recent years. I have come to know Senator Lewis well when we attended a conference some years back in Zimbabwe. He was the leader of the Barbados delegation to that conference and it was on that occasion, for the very first time, that I was able to get close to him and observe the real man, Hercourt Lewis. I have to say that I recognised immediately his tremendous powers in organising. For that conference he was always punctual and I recognised immediately that here was a man from whom a person could learn a lot, not only in terms of Government but in terms of organising and that sort of thing. I immediately came to the conclusion that his contribution to this country, over the past years has been achieved, not by something which came haphazardly out by something which he developed over many years. No doubt, perhaps his wife may have contributed significantly to that.

Similarly, I got to know Senator Amory Phillips when we were both in London attending a tour organised by the Board of Tourism when we had an exchange visit to the London Parliament. Immediately I recognised in Senator Phillips a man who was so easy to converse with other persons. I believe Senator Phillips would equally have done well if he had taken up the job as a counsellor. I recognised him as a man who could easily sit down and converse with people and deal with the kind of social and other problems which they have.

For those reasons, I believe that their contributions to this country over the past years could not be recognised in a better way than by conferring the honours which they have received from the Government earlier this year.

One other thing which I must note in relation to these 2 gentlemen, Mr. President, is the fact that they are both

humble persons. You notice the humility in both these individuals as soon as you meet them. It can be said of them that they do not carry chips on their shoulders. There are some people who cannot tolerate you if you are poor. They don't like you if you are rich, if you are black, if you are white. There are some people who carry these chips and prejudices in their lives and I have recognised in Senator Phillips and Senator Lewis the qualities that they can tolerate you. It does not matter whether you are from a different political party they can tolerate you and they can relate to you. These are significant personality traits which I think should be emulated.

12.20 p.m.

I again say, Mr. President, that these two gentlemen should be lauded for the contribution which they have already made to this country. I believe that these awards should be seen, not as the end of the contributions which they have made and can make to the country, but as the beginning of the contributions which we should expect from them. For that reason I support the Resolution which has been proposed by Senator Clarke.

Thank you.

SENATOR THE REV. CANON J. L. SPRINGER: Mr. President, I feel constrained to say a few words, although it would be easy for me to say that I agree with everything that has been said so far. But I rise this time in my capacity as clergyman, as a counsellor for my two colleagues who have been honoured.

There seems to be a mood developing in this country that seeks to make people feel guilty when they are being honoured for real work they have been able to do. I know what that feels like, because some years ago one of my children came home complaining that some other child had said that somebody, obviously in their home, had said that my child's father had become a Canon because he had become the Bishop's lackey. I said this to reassure you that this sort of thing happens within the context of the Church as well, and it is not good.

I look forward to a Barbados where people, regardless of political persuasion, whatever party or Government is in power, would be able both to offer appropriate honours and to receive them without feeling guilty. I do not have to tell you, Sir, about the recent speculation and the reasons being given as to why some people got what. I wish to reassure my colleagues and say to them that the people of Barbados are aware of your contribution to this country, as we all here are aware.

Among the things mentioned in connection with Senator Lewis no mention was made of his interest and counsel to the Credit Union Movement. I mention that

because that is when I first met him at close range, when I was getting involved in the Credit Union Movement back in the 70's.

Many people do not know of the charitable help given through the generous policies of Senator Phillips, where his business is concerned, with church organisations, youth groups and so on, in the simple matter of putting up stalls to have a Fair. I have had to be associated with such Fairs where all of the lumber came from Lumber Company and we had not one cent to pay for that facility.

Above all, we all are aware that the contributions made by these two gentlemen were made with no regard to what party was in power. Indeed, Senator Lewis did a lot of his work as an ardent, hard working, civil servant in another regime. I am sure Senator Phillips in his equestrian exploits did not check to see whether the owners, or the horses themselves, belonged to any particular persuasion. The people who place him from time to time in the positions he held in that regard were from all sides of the political spectrum.

So I say you have earned what has been offered to you and you should not feel that you are receiving something that belongs to somebody else. I heartily join the other Members of the Senate in congratulating you on your honours.

Thank you.

Mr. PRESIDENT: I cannot allow this occasion to pass without adding my meed of congratulations, even though they are going to be very brief indeed.

It would be difficult for me to find something new to say and therefore I would say that I certainly endorse all that has been said in favour of the two honourees. But I would like to go a bit further and say that over the years I have known Senator Lewis, and this dates back a long, long time. As a matter of fact, we both taught at Combermere – Harry very briefly – and when one is in the same common room one gets to know the other pretty well. I can say he has been very industrious. He saw the light of day early and therefore he went into the Civil Service. Many of us perhaps regret that we did not have that sort of brilliant career in the Civil Service, but nevertheless we cannot all be that wise at an early age.

I remember also meeting him in Britain in 1959 and we moved around a bit, but that is also a long time ago. I think he was on one of those Fellowships, or he was studying at that time. Then he could not of course escape the insurance net. I am sure he does not object to my saying that, so while I have a number of distinguished clients I would like to think I am the one who has been honoured. He had great financial foresight in the very early days and I must congratulate him on that.

There is something which a lot of you would not know, or in fact I do not know if many of you know, and it is that I am the one responsible for bringing him out of the Civil Service. I invited him to come and take the place at the National Development Foundation and therefore I should like to share a little bit of that too. I was very happy indeed to have had him, because I was the first Vice Chairman of the NDF and we talked about it and were very pleased indeed to have him come over and join us and establish the National Development Foundation of Barbados.

I could go on, but what I am trying to say is that he is very many talented and we must congratulate him, because it is not because of a single act that he has been honoured, but because he has very many talents.

I did not have the opportunity to know Senator Phillips as long as I have known Senator Lewis, but I have seen that he is a very keen and astute businessman and, knowing how difficult it is to succeed in business these days, I think anybody who is as successful as he has been has every right to be honoured in the way that he has been. I certainly wish to congratulate him on the honour which has been bestowed upon him. I am sure he will go on to even greater things.

Like so many others here, we do not say this like an epitaph, as if this is the end of their careers, because we are looking forward to a lot more from these two honourable gentlemen.

SENATOR A. J. N. PHILLIPS: Mr. President, I would like to thank you, Sir, and all other Senators for the very kind sentiments expressed this morning. I shall promise that I will continue to do my best and, most of all, I can promise that I will never lose the common touch, because I came from very humble surroundings. I grew up as a country boy. I am very happy about it; I am very proud of it and I maintain my connections with persons whom I grew up among.

I would like too, Sir, to take this opportunity to thank all persons who have received Independence awards. I would like, however, to specially single out Mr. Keith Walcott, husband of Senator Walcott, along with Mr. Charlie Griffith, who is one of the Assistant Managers of the Barbados Lumber Company and who has been my friend for very many years, and lastly, Canon Brome, who is a product of St. Clement's School like I was, and who was also one of my school friends.

Finally, Sir, I would like to thank all persons, other than those who are in this Senate, who have sent me congratulatory cards on this occasion.

Thank you, Sir.
12.30 p.m.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I recognise the person about whom so many Honourable Senators and yourself have spoken and I wish to thank you most sincerely for your very warm comments.

I believe that if I just said thank you and sat down that would suffice but it is necessary to set the record straight sometimes. With regard to an alleged high-jumping incident, it is absolutely necessary since it occurred in the month of December, before Christmas at 9 o'clock or thereabouts in the morning, after I had left Combermere School when I was interested in learning as I still am.

On my way to the Barbados Public Library, I did what any 17-year old boy would do. The famous, illustrious Sobers family of the Bay Land, the boys, were high jumping. They were bare-footed. I had on shoes and I foolishly jumped like them. If you run on grass in leather shoes to jump you are likely to slip. I slipped and I told them who it was jumping too. When I landed, I landed not on my feet but on my left knee. Thereafter, I spent 13 weeks beginning before Christmas of December 1949 in the Barbados General Hospital. That was the accurate record.

The old Barbados General Hospital on Jemmott's Lane. Note where it was because that was 1949 and I was to return to Jemmott's Lane in 1961. My wife who has been a real help meet for more than 30 years lived on Jemmott's Lane. So I returned to Jemmott's Lane in 1961. I left the Hospital on crutches, but I did not remain on crutches too long and the gap that I need to fill in for Senator Clarke is that I did not go back to teach immediately.

A friend of mine in the gallery is smiling. I am not calling any names in the gallery. I do not even see the gallery but I can refer to it because it exists.

The gap that was there that I need to fill in – and this is important for me – is that I did not go back to my *alma mater* to teach immediately. I went back 1 year and 6 months after I left school. I went back to teach. What happened during the year was that I went to a trade. That one year at the trade made a lot of difference to my own personal attitude to work. I was apprenticed to a man who made me learn everything. He was paid. My father paid him to ensure that I could learn something. I spent 1 year at trade.

I always remember it. It was salutary because I did everything, including sweep the floor. If I become a Minister and I have to sweep my office it does not make any difference to me. When I went to the National Development Foundation and we had a secretary either one of us used to sweep the office. It did not make any difference. There was a vast change because I had come from leading more than 100 people at different times and

I was leading one with myself; but we enjoyed it. The one thing that gave us joy was and this is something I have been happy about all through my working life, indeed before...

My involvement in the Boys' Scouts allowed me to understand the importance of the team. If it is 2, it has to be a team. If it is 2 and you are not a team you are going to fail. It is the team that led me to be involved in the takeover of the buses. I was not leader of the team but I was a team player when the Government took over in 1955. I was part of that. When the Hilton was being constructed in 1965-66, I was part of the team. When this country was attaining its independence in 1966, I was part of the team. When in 1967 we were establishing the Government Training Division, it was 3 of us. One lady from Service Commissions who is now departed, one lady from Service Commissions who is still with the Training Division and myself. We were a team. We did what we had to do as a team.

Senator Clarke commented about my being involved in the start of a number of things. Yes, I was present at the birth of a number of things. I was present at the birth of the Data Processing Department and it was the second occasion when I had the opportunity to lead something in the Public Service. It is not generally known that I was the team leader for the locals for the Independence Celebrations in 1966. We had an imported organiser for the celebrations but I was the team leader of the local group.

I was the team leader for the setting up of that Data Processing Department in 1970 and I got much joy from it. I was team leader when the Garrison Secondary School was coming into existence in 1975. I believe the involvement in the Public Service – and I have written this and said it before – gave me most joy was when I was able to lead the team to establish the Insurance Corporation of Barbados. I mention this. I am happy about the Bank. Comment has been made about the Bank. I do not wish to go down that road, but all through my life I believe that I have been able to achieve what was God's will for me and that I was only an instrument in achieving his purposes.

When I led a team of persons to challenge the presidency of the Civil Service Association in 1968 I did not have any idea about what fruits there would be. The fruits which resulted were that after less than 3 years we were able to make the association, as it was, a full-fledged trade union. So that I was the last President of the Civil Service Association and the first President of the National Union of Public Workers.

12.40 p.m.

My own involvement in things other than the public service through the years has happened in cycles. This is something I always have to thank God for, and my wife, because many wives would have walked away from a man

who spent most of his evenings being involved in extra-curricular activities. In the days of the union I spent more evenings with the trade union than I spent doing my own business, looking after my own family. This happened with the credit union at another stage.

Senator Springer spoke of the credit union. I remember an occasion when I visited the credit union with which he was involved and his saying to me: "I have been hearing your name for many years, but you are a young man." That is a fact. I was involved in many things in my teens. I believe my name has been around a long time. Indeed, in 1986 when I became a Member of the Senate a gentleman came to me at a function and said: "It is time you and Frank Walcott retire. You are over 70 years old. You could go long home." I had to remind him that I was not even 60 years old at that time. But I have been around for a long time.

I have had a lot of satisfaction of being involved with the trade union movement and the credit union movement. I was a founder member of at least 2 credit unions with the start-up of other agencies. A few weeks ago I discovered something. I was reading an American author who said that people who are achievers often have within their armoury certain aims. Among other things they aim at excellence. There is a lot of talk about quality these days but quality requires the capacity to achieve. It requires persons to reach the peak of excellence. But the writer also said that in the armoury of persons one thing that people never seem to recognise is something called the gift of anticipation.

I mention that because several situations I have found myself in it was as if there was some guiding hand leading me to be one or 2 steps ahead of the pack. It is that I believe God provides me with a lot of what people describe as success in some of my endeavours. It is that sort of anticipation which allowed me earlier today to discover what my colleagues on my right and left had organised and had, in fact, been withholding from me. I will not say what it is. All I will say is that it is this anticipation of the future which is as if it is the guiding hand of God leading me along that I thank God for. I pledge myself to continue to work in the service of the people of Barbados in whatever area of activity I may be called or led to service.

In relation to my personal role, I was walking along the road one day and somebody said, "Will you come and help?" I said: "Tell me what you want done." In response to the "tell me what you want done", I found I was asked to come and assist in a matter which eventually led to my being invited to serve in the Senate and to serve as a Minister of the Crown as a member of the Democratic Labour Party. That I also believed to be God's will because I had absolutely no plans for involvement in politics while I was on pre-retirement leave at the age of 52. I had an opportunity to retire after 33 1/3 years of service. I decided to leave the Public Service and go and work in the private

sector. I took that as a personal decision. I did consult several persons. It is a fact that I chose the job which paid me least because I did not wish to pay a lot of income tax. As it turned out the job that paid me the least gave me a great deal of satisfaction. It also made me available for other service. In that respect I must have been guided.

I wish finally to thank you, Mr. President, and all the Senators who have spoken today and to say that whatever honour I have achieved, my wife has been at my side. The colleagues who have worked with me in these various endeavours have made substantial contributions to my own success.

I thank you.

Mr. PRESIDENT: Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: We have one other matter to be disposed of before I make a motion for the suspension. I do not know if Senator Barker wishes to speak on the matter.

OBITUARY SPEECHES

SENATOR T. E. BARKER: Mr. President, I rise on this occasion to say a word on behalf of a former Senator who passed away last Wednesday and was buried on Monday, ex Senator Clarence Jemmott. Mr. Jemmott was a well known figure in Barbados, a man of modest means, from humble beginnings who rose to become a Senator in this fair land of ours.

He was deeply associated with the party which I represent, the Barbados Labour Party, for over 50 years. He was born in 1917 so he would have known the dark ages in the 1920s and 1930s when this great party led the masses out of their terrible condition and set them on the road to progress and prosperity. He teamed up with men like Sir Grantley Adams, Sir Mencea Cox and people of that generation to push the Progressive League to the forefront of political life in this country.

Sir, what impressed me about Mr. Jemmott was his devotion to his Church. He was for many years a very loyal and devoted member of St. Mary's Church. On many occasions he was the President of their Men's Fellowship. No doubt his involvement with the Church and his devotion to his Lord had a tremendous impact on his life because I have always known him to be a man of tremendous calm who hardly seemed to get ruffled. He was a gentleman.

In a day and age where old customs are frowned upon, where the new generations pour scorn on things which people of your generation took for granted and treasured, it is fitting that a man like Clarence Jemmott is honoured in this way primarily because he epitomised all that was good about Barbados, that is, respect, decency

and loyalty, things which, sad to say, are not always in evidence in this day and age. Clarence Jemmott was such a gentleman.

My association with him has been of tremendous benefit to me because loyalty must be an important part of our life. We must be loyal to the organisation to which we belong. In a day and age where people follow political parties for what they can get, we honour a man who followed the party for what he could give. Everything that was associated with the Party or the fund-raising activities or whatever Clarence Jemmott was there in the forefront seeking how he could help, chairing Committees. At one time he was General Secretary of the Party. He has been a tremendous help to our Party. I am sure all of us would agree that our island, if ever there was a time we needed them, it is now; we need strong and vibrant political parties as we seek to push our country forward. We must pay tribute to these men who, although they may not have been Ministers of the Crown and so on yet, their service although at times it may go unheralded is of tremendous benefit both to the organization and, by extension, to the country.

12.50 p.m.

Mr. Jemmott was also involved in sport. He represented Barbados in athletics and for many years he served on the Football Association. He was a member of the Everton Football Club which has always been my favourite club. People speak of him as being involved in the development of athletics and football in the island. He was for many, many years on the local athletic bodies and he served with distinction in that capacity.

What I also like about Mr. Jemmott was his involvement in the credit unions and friendly societies. His involvement, in my view, spoke volumes about his commitment to ordinary working people. When a person can give his time at times in a thankless job of running these credit unions and friendly societies... There are about 3 or 4 of them that he was deeply involved in. Up to a certain time before his death he was very much involved in the credit union which is formed by my political party. I think it is called the Progressive Credit Union. As I said, it showed his commitment to the ordinary working people. That is what I liked about him. He could walk with Kings but he never forgot that his first loyalty must be to those people who were less fortunate and those who were of what we may wrongly term the lower socio-economic bracket.

Clarence Jemmott served as an inspiration to me personally and, no doubt, he has served as an inspiration to many other people. I am very glad that I got the opportunity because I think it would be remiss of me and, indeed, this Chamber to let an occasion like this pass without registering words of approval for the life and times of Clarence Jemmott. He has worked well and long in

Barbados. He has brought up children who are a benefit and a credit not only to Barbados but one of them is now serving in the Anglican Diocese in Montreal and he is serving with distinction. No doubt he would have spent time with his children. I knew one of them very well. He was at Harrison College with me. He is a well-mannered and well-brought-up young man which is a testimony to the home environment and to the training which his father would have given him.

Sir, with those words I humbly ask that you pass our condolences to his sorrowing relatives.

Mr. PRESIDENT: That will be done, Senator Barker. Senator Fraser.

SENATOR Mrs. V. C. FRASER: Mr. President, having been associated with the late Clarence Jemmott for many, many years since in my teenage years and having to be taken home by him with the firm instructions from my mother to see after me coming from Enterprise Credit Union, I remember he worked for a firm in town and he used to pack us all in the back of the van with all the sweets and everything. He saw to it that we got home safely.

The man Clarence Jemmott was indeed a person regardless of colour, race or creed, he was never afraid to do whatever was good to any single individual. He excelled in the field of sport and he was very interested and had a burning desire for education. He served on the St. Michael Parent/Teacher Association for many years because of many of his children going there and he set a record example in the things he achieved during his time as Chairman of the Parent/Teacher Association there.

He was also a former President of the Credit Union League and he was also a Vice-Chairman in the Enterprise Credit Union. We served on the Board of Directors of that Credit Union for many years.

I want to say, most of all, that Clarence Jemmott was a very Christian person, a person who did not feel that because he belonged to a particular political party that it had anything to do with his goodness or what God had taught him to do.

I want, on my own behalf, to say that this man has been a shining light to Barbados as to what a Christian person should be. I know for myself that if anybody in the Labour Party said anything about me Clarence Jemmott would jump on them. He was a person who when he believed in you, he believed in you.

I should like to associate myself with all the remarks made by Senator Barker.

Thank you.

Mr. PRESIDENT: Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, as Leader of Government Business, as an officer of the Commonwealth Parliamentary Association of which Mr. Jemmott was a member I should like to identify with the condolences which are to be extended to the relatives of the late Clarence Jemmott whom I met in 1954 at a private home in Black Rock. All through the years although I knew what his politics were said to be, on no occasion can I remember his behaving in any way contrary to what one would expect of a Christian soul. I am just saying that, in passing, for the record. Far too many persons in politics are always operating on the basis of adversarial politics when in fact there is no necessity to behave in such a fashion.

SUSPENSION OF SITTING

SENATOR THE HON. L. V. H. LEWIS: I should now like to move the suspension of the Senate. I beg to move that this sitting be suspended until 2.00 p.m. today.

The question was put to the Senate and agreed to and Mr. PRESIDENT suspended the sitting accordingly at 1.00 p.m.

RESUMPTION

Mr. PRESIDENT: This sitting is resumed.

PUBLIC BUSINESS

ORDER NO. 5 – A BILL TO AMEND THE ANGLICAN CHURCH ACT, CAP. 375

Mr. PRESIDENT: Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, this Bill to amend the Anglican Church Act and to validate certain Statutory Instruments made under the Anglican Church Act comes before us because of certain circumstances which I will outline in my presentation.

The first proposal is for an amendment in order to validate certain statutory instruments which were made or purported to be made under the Anglican Church Act. These enactments in the form of a Diocese of Barbados Regulations and a Constitution, Canons and Regulations made or purported to be made under the Anglican Church Act by the Diocesan Synod of the Anglican Church provide the constitution and they are intended to regulate the business of the Church in the management of its affairs.

The Anglican Church Act, 1969 was passed as a general public Act of Parliament, now Cap. 375 of the Revised Edition of the Laws of Barbados and that repealed the earlier Anglican Church Act of 1911. This new Act

provided for the disestablishment of the Anglican Church giving that Church full powers to manage its own affairs in the same way that other religious denominations provide for their own management. In effect, the date of disestablishment 1969 gave the Anglican Church the authority to become a self-governing body and to have no lesser status or powers in regulating its own affairs as the several other denominations I referred to.

Before 1980, the Anglican Church operated under the Diocese of Barbados Regulations which had been adopted in 1968. They had been made under the Anglican Church Act of 1911. The Regulations, as amended, after the passing of the 1969 Act were printed and published in a book to the members of the Anglican Church and this was distributed as the Diocese of Barbados Regulations, March 1970.

After that time the Diocesan Synod apparently passed resolutions on the 30th day of April 1979 and on the 10th day of December 1979 under the New Anglican Church Act whereby they adopted the new constitution, the Canons and Regulations, which replaced the earlier Diocese of Barbados Regulations. These were printed as well and they remained operative for the Anglican Church as its constitution.

Apparently, questions have arisen during the period on the working and the effectiveness of the provisions of the law as contained in these regulations and legal advice was sought and the Crown was approached in an effort to ensure that the regulations could indeed have the force of law.

It was felt that the provisions of section 15(1) of the Interpretation Act whereby every enactment published in the Gazette and unless the enactment otherwise provides shall take effect and come into operation on the date of such publication, applied to these regulations which had been made by the diocese of the Anglican Church. Unfortunately those Regulations were never, ever gazetted. However, the Diocesan Synod in 1984 passed a Resolution that Parliament be petitioned to amend the Anglican Church Act by validating all Acts and proceedings of Synod as if the Constitution Rules and Regulations and other Statutory Instruments of Synod had been published. For one reason or another, in between the Diocesan and the then Ministry responsible for Ecclesiastical Affairs, the matter was not pursued with any promptness and all of us are aware, Mr. President, of a situation which, unfortunately, landed the matter before the courts of this island when a decision of the Judge hearing the matter was appealed to the Appeal Court. The Appeal Court reversed the ruling of the Judge of first instance. That Appeal Court decision was further appealed to the Privy Council of Great Britain which reversed the decision of the Barbados Court of Appeal. The consequence of it all is that the affairs and business of the Anglican Church was dragged about, as if

it were a football, by the media in this country and by other persons.

Let me say that the whole unfortunate series of circumstances will now be resolved by the passing of this legislation which seeks to validate those statutory instruments, to remove a requirement that in future, subsidiary legislation made by the Diocese of the Anglican Church in its own right will not require publishing in the *Official Gazette*. Further, to amend section 26 of the Anglican Church Act as set out in the amending legislation here before us and further to repeal section 27 of the existing Act.

The effect of all of this, Mr. President, will be that certain Regulations which earlier this year were gazetted will now continue to be the law but lawfully to be the law from the time that they were made by this validation and secondly, the acts performed or proceeding affected under those Statutory Instruments will be made valid, albeit, the fact that they have not been published in the *Official Gazette* in accordance with the Interpretation Act and there is a Clause 4(3) which says:

"For the avoidance of doubt it is hereby declared that notwithstanding anything contained in Regulation C.10 paragraph 11 of the Constitution, Canons and Regulations of the Diocese of Barbados any person over the age of sixty-five years who holds an ecclesiastical office immediately before the date of the commencement of this Act, shall be regarded as having vacated his office at the date of the coming into operation of this Act in accordance with the provisions of the Constitution, Canons and Regulations of the Diocese of Barbados."

It also provides -

"From the commencement of this Act, section 16(1) of the Interpretation Act shall not apply to any statutory instruments made under the Anglican Church Act; and further that, all statutory instruments made under the Anglican Church Act shall have full force and effect from the date of the making thereof or where a commencement date is specified in the instrument from that commencement date."

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

SENATOR THE REV. CANON J. L. SPRINGER: I wish to thank and congratulate the Government and the relevant Ministries for their quick response in bringing this matter to a conclusion because we all recognise, Sir, that it could have been a further embarrassing situation for the Church, considering the critical times that we have entered into having soon to decide on a successor to the outgoing

Bishop and these Rules would have to be acceptable in order to be the basis for the kind of decisions we have to make within the Anglican Church in the not too distant future.

I also wish to congratulate the Leader of the Senate for his presentation and to say that there is very little left to be said. This matter is not, as far as I am aware, a controversial one within the political circles as all political groupings at one time or another had supported disestablishment of the church and even the Church itself, eventually, was ready and asking for a complete break with the State and that mood was clearly expressed around the time of the disestablishment in 1969.

We know that several things have happened prior to that in the earlier days when there were obstacles in the way. What we are witnessing now is the end of a chapter in the State/Church relationships in this country, where the Anglican Church is concerned. A Church that had been virtually established from the settlement of this Island in 1625 and that remained in that sort of situation right through to 1969 with an attempt being made sometime in the 1860s to disestablish and that, Sir, it will be recalled was when the Foreign Office had decided to disestablish all of the Anglican Churches in all of the territories and beyond in the Empire as it was then. Jamaica was the first to move in that direction in 1867 but it did not go smoothly and obviously had some effect on the delay in disestablishment here in Barbados. But that difficulty experienced was supported by the reluctance of the plantocracy to change their way of life. So that rather than go the route of disestablishment at that time, the Anglican Church in Barbados took the position of re-establishing this diocese in 1871. That accounts for this situation we are getting out of now. It means, Sir, that all of the other territories in the Caribbean were 100 years ahead of this diocese in terms of their break with the State. So this is long overdue.

2.25 p.m.

It was unfortunate, Sir, that when the disestablishment debate was taking place in 1968-69 and arrangements were being made for the settlement, in that amicable atmosphere the whole matter was not resolved. No one seems to know why, because the Church and the Government were not at cross purposes. All the parties involved wanted disestablishment and yet, for some reason, the whole thing was not followed through to a logical conclusion. It was a situation as I, a young clergyman at the time, recall where guidance was being given and taken by the Church from the relevant authorities, or the other way around, and anyone who was knowledgeable could have or should have seen to it that the whole thing was complete at that time. I do not want to apportion any blame at this time, but that was a factual situation, that the matter was not taken to a

logical conclusion even by persons who would have known that such a matter had to be gazetted to become law.

Now, where the Church must take the blame is that after having been advised, in 1983 when certain matters were being taken to court, that it was discovered that the gazetting had not taken place and that the laws of the Church were not valid, that action should then have been taken. But it is now known as a fact that the Church dragged its feet at that time, for whatever reasons, and did not take the advice. Hence, it was not therefore surprising that a very important case was lost as a result of this very thing not taking place, the gazetting of the rules, and it is ironical that the person who spotted it and caused the Church to lose that appeal heard in England was a person who was at one time a Clerk of the Parliament, now in his new capacity as lawyer and councillor.

But we cannot waste time crying over spilt milk. At last this matter has been brought to a fitting conclusion and the Church can now move forward, I think. The sin of omission has been corrected by the gazetting, the validating has been provided in this legislation and all in all the Church is being freed up, as the Honourable Leader said, to be a church like any other church in this territory, where its Synod becomes its only Parliament. That is long overdue.

I wish to support this legislation as being very important, being very timely and to say that the Church, however, looks forward to continued healthy and amicable relations with the State, the Government. After all, it is the same Church that has made such a contribution over the years by providing personnel and services, and continues to provide services that are second to none of the services provided by religious organisations in this country, and therefore looks forward to that contribution. I am therefore pleased to recommend this Bill to the Senate and to give it my fullest support.

Thank you, Sir.

SENATOR T. E. BARKER: Mr. President, I readily support this Bill. But I am always worried when I see people not doing their job as they should. I am told that a lot of the confusion which was caused in the Anglican Church was caused because there was somebody somewhere who did not do what he was supposed to have done. It is already spilt milk and we are not crying over it. But we are glad to see that in spite of all the damage that has been done there is some correction mechanism being put in place.

Sir, I am worried about tomorrow. Today it may be the Anglican Church and their problems, but are there any other occasions where certain Bills which were duly passed by this Chamber, and, because of some foul up along the line, what was supposed to have been done was not done?

What mechanisms are we putting in place to ensure that all the necessary work is done in relation to legislation and such things? We certainly would not want a recurrence of this. I know the politicians always take the blame for everything, when in most cases it is not totally their fault, but I would ask that the Ministers in charge of departments tighten up and make sure that what is supposed to be done is in fact done.

But I want to touch on one or two aspects of the Anglican Church. In spite of all the difficulties I may have with it, and which other people may have, it has made a tremendous contribution to our island. I note that at disestablishment in relation to church schools, and I am reading from the Act itself, section 20 of Cap. 375, where it says:

"After the date of disestablishment the Crown shall continue to have the same rights, privileges and powers to use church schools as it had before that date."

It further goes on to say, at section 22, that:

"If at any time after the date of disestablishment a church school ceases to be used by the Crown as a school it shall revert in good structural repair to the Barbados Diocesan Trustees free from any obligation to permit it to be used thereafter but otherwise subject to such trusts, obligations, conditions and interests as may be applicable thereto or subsisting therein."

Over the past few years, starting with the World Bank Project, a lot of schools, not only owned by the Anglican Church, but owned by the Moravian Church, and I can think of a lot of schools, even the one I went to, Buxton Boys' School, the Moravians had built a lot of schools...

Mr. PRESIDENT: Senator Barker, this is really not connected at all.

SENATOR T. E. BARKER: With due respect, Sir, we are discussing an Act to amend the Anglican Church Act. I just want to make the point that the Anglican Church Act mentioned what happened to the schools. That is part of the Act, so I thought I was entitled to speak on that.

The only point I want to make is that there are a lot of disused buildings around the place which have been given back to the Anglican Church, the Moravian Church and other churches. The buildings are old, some being over 100 years old, and the churches are not in a position to effect the sort of repairs that are needed to put them back in good shape. So I wonder if there is not a case where, noting that for a lot of years our people went to these schools, if the Government could not in some way compensate the Church. It is some good real estate and I wonder if a case could not be made for Government to be

a little bit magnanimous with regard to the Methodists, the Moravians and the Anglicans which over the years have rendered such service in education. I know it is in a difficult, financial situation but the Churches themselves are in a difficult, financial situation. I think it is a case where the Churches and Government need to sit down and see what can be done in this regard.

2.35 p.m.

On another point, I am a bit distraught, being an evangelical myself, where in places especially where the Anglican Church which was disendowed...

Mr. PRESIDENT: Distraught, did you say? That's unfortunate.

SENATOR T. E. BARKER: Yes.

Mr. PRESIDENT: All right. Proceed.

SENATOR T. E. BARKER: I am making the point that I am distraught when I hear, in parishes where there are no public cemeteries like in St. Andrew and St. Lucy, that when a member of another denomination dies in order for him to be buried in the Anglican Church yard he has to have 2 funerals – one at his own church and one at the particular Anglican Church which controls the burial ground. I wonder if the Anglican Church could not be magnanimous in this regard because it sounds to me a bit... A fellow has been going to another church for years and is a Christian person.

Mr. PRESIDENT: You will ignore the asides, Senator Barker, and address the Chair.

SENATOR T. E. BARKER: It is very difficult, Sir.

Mr. PRESIDENT: You understand and appreciate therefore the difficulty which other Members have when certain other Members insist on doing the same thing.

SENATOR T. E. BARKER: I take the reprimand personally.

Sir, I wonder if the Anglican Church could not do something about that practice, especially in areas where there is no public cemetery.

One other point. I do not like Ministers of the Crown to be getting involved in matters that do not concern them.

Mr. PRESIDENT: Now, that has nothing to do with this. But go ahead.

SENATOR T. E. BARKER: Sir, with all due respect, I will tie it in. Only a few weeks ago, noting that there is to be a vacancy in the Anglican Diocese of Barbados a

Minister was reported to be getting involved as to the selection of the Bishop. That, Sir, is a function...

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I know of no instance and I would wish that the Honourable Member would tell us specifically who the Minister was and whether or not he was speaking in his personal capacity or as a Minister of the Crown.

SENATOR T. E. BARKER: Sir, as far as I am concerned a Minister does not speak in public in a personal capacity. When a Minister speaks in public he always speaks as a Minister. It was reported in the newspaper that a Minister of the Crown made remarks as to who he thinks should be Bishop of Barbados. I am saying that...

Mr. PRESIDENT: Senator Barker, that has nothing to do with this. You will proceed with your debate. I have no problem with that.

SENATOR T. E. BARKER: Sir, I think my point is made and the guilty party will obviously hear.

Mr. PRESIDENT: Senator Barker, that is in no way connected. Senator Fraser, do not interchange. Just let him go his course.

SENATOR T. E. BARKER: Sir, with those comments, I want to commend the Anglican Church for the work it has done in Barbados so far and I wish, now that there are going to be changes, it would use this as an opportunity to reflect and be a little inward-looking, look at where it may have gone wrong in the past and make sure that as we go into a new century it puts things in place to ensure that the good name of the Anglican Church and Christianity as a whole would not be further tarnished by the disgraceful episode of brothers taking brothers to Court in spite of a biblical injunction to the contrary.

Thank you.

SENATOR Mrs. V. C. FRASER: Mr. President, I am very glad that we are at last at this particular Act and at this point in time. For a long time the Anglican Church was disendowed and disestablished and therefore I feel that this should have come to Parliament a long time ago.

The Anglican Synod is the parliament for the Anglican Church. Whoever is the Minister or any Ministers who belong to an Anglican Church and are part of a Synod... It has nothing to do with their ministerial position. That should be made very clear. Nobody can tell people which church to worship at and when to speak or not to speak for or on behalf of their church.

I believe the time has come when we should put the full responsibility in the court of the Anglican Church. Parliament nor Government should have any responsibility

for making any decisions for the Anglican Church. I welcome this wholeheartedly. Government will not be blamed for anything that goes on in the Anglican Church any more because this law has come about. I think that this is a step in the right direction. I am an Anglican myself and I know a lot of Anglicans welcome this bit of legislation where they do not have to have anything gazetted any more and can meet in Synod and make their own decisions on behalf of their own congregation.

Thank you Mr. President.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the fact that there is not any controversy does not I think require any response. I think that, as Senator Springer said, it seems to be something of a pity that between 1984 and 1990 little or nothing happened to take the matter forward to solve what would have been a very simple act, gazetting the regulations at the time, and all the bad feelings and all the dirty linen which was subsequently washed would have been saved.

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

The question was put and agreed to.

COMMITTEE

On the motion of Senator the Hon. L. V. H. LEWIS, Mr. PRESIDENT left the Chair and the Senate went into committee on the Bill, Mr. DEPUTY PRESIDENT in the Chair.

Clauses 1 to 3 were called and passed.
2.45 p.m.

Clauses 4 and 5 were called and passed.

The Schedule was called and passed.

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

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

ORDER NO. 3 – CONSUMPTION TAX (AMENDMENT) BILL, 1992

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, the Bill before us seeks to amend the Consumption Tax Act, Cap. 63, by removing the refund of 95% tax paid on gasoline used in the fishing boats. Specifically section 6 of the Act will be amended by:-

(a) repealing subsection 4; and

(b) deleting the definition of "fishing boat" appearing in subsection 5.

Subsection 4 of section 6 which is being repealed provided that:

"Notwithstanding anything in this section and the First Schedule, there shall be a refund of 95% of tax paid on gasoline where the Comptroller is satisfied that the gasoline has been used in fishing boats."

Mr. President, in order to dispel any doubt or fears that hardships will be imposed upon local fishermen as a result of this action, it has been found that commercial fishing in Barbados is carried out mainly in boats that are fuelled by diesel power. The small boat, commonly known as the moses, which uses outboard gasoline engines, is the one that engages in inshore fishing. The type of inshore fishing contributes marginally to the fishing industry but is seen as contributing in a major way to the suspected problem of over-fishing in the inshore waters thereby threatening our bio-diversity. We are well aware of what has happened to the fate of the sea-egg and to many other species which used to be once common fare on our luncheon, breakfast and dinner tables.

In addition to the problems of interfering with the bio-diversity because of over fishing, there is the additional problem that the subsidy is open to abuse and has been open to abuse because there is no efficient way of monitoring it to ensure the use of the gasoline. It has been found that persons who are part-time or vocational fishermen, or those engaging in recreational fishing for profit, have been using the gasoline in their boats. These boats cannot be separated from those engaged in commercial fishing. Because of these factors, the substantive Minister is of the view that the subsidy has outlived its usefulness and is not of significant benefit to the fishing industry to justify any continuation of such a policy.

In short, Mr. President, the repeal of subsection 4 of section 6 will not impose any undue hardship on commercial fishermen since in this year's Estimates the sum of \$15 000 was included under Head 25, Code 250501, Item 313 – Subsidies, for this purpose. Such a small provision tends to indicate that no heavy claims have been made in the past, or are likely to be made in the future, under this Head. Thus, the repeal of subsection 4 will reduce the abuse to our marine environment and sustain our bio-diversity through a reduction in sports fishing, especially the type that engages in sports fishing in the inshore sector. In addition, the repeal will remove the abuse where a small percentage of boat operators avail themselves of the subsidy and use their boats for either recreational purposes or other commercial activities not related to commercial fishing.

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

SENATOR T. E. BARKER: Mr. President, I am against this Bill. I will vote against it. I will invite other Members of the Chamber to vote against it also and I will give my reasons. The Minister cited a few reasons for this Bill coming before us today. He forgot an important one, that is that the IMF is insisting that all these subsidies be discontinued. He did not state that but that...

SENATOR THE HON. L. V. H. LEWIS: On a point of order, Sir. I am certain that is factually untruthful because the decision to remove this subsidy was initiated by me long before any such thing was happening. I dare say that in the light of everything that has happened over the past year it is not unwise to presume that Senator Barker and others would believe so, but it is not true.
2.55 p.m.

SENATOR T. E. BARKER: Sir, I am glad I can blame Senator Lewis and not the IMF.

Mr. PRESIDENT: All right. Proceed with the debate, Senator Barker.

SENATOR T. E. BARKER: Yes, Sir. I still believe that pressure has been put on Government to remove a lot of subsidies. We are seeing the removal of these subsidies bit by bit, little by little.

First of all, the Minister in his presentation stated that one of the reasons for removing this benefit is to protect the inshore environment. The bio, what you call it? The marine environment. That is not the word you used. Anyhow.

Mr. PRESIDENT: Senator Barker, please address the Chair.

SENATOR T. E. BARKER: I am addressing the Chair, Sir. The point is that a lot of our fishermen, especially during the off season where, because of the weather system that crops up, they do not venture too far from port during the months of July, August, September and so on. They make their living catching pot fish, sprats and such things for our tables and to feed their families. As the Minister said, a lot of them use these small fishing boats with outboard motors and hence, take advantage of the subsidy given on the gasoline they use. When you remove that subsidy you are affecting lives, admittedly there are not many. That may be so. Well then, so much the more reason. If you are saying that it is only \$15 000 that you are saving why should they be destroying their lives and their livelihoods for a mere \$15 000?

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. Is Senator Barker advocating that we should squander Government's revenues? Are you suggesting this? That because it is only \$15 000 that we should spend it willy nilly, for any purpose.

SENATOR T. E. BARKER: Sir, if the Minister wants to talk about squandermania, I could talk about squandermania and we would be here until all tomorrow.

Mr. PRESIDENT: Let us stick strictly to the debate. Senator Barker, it would be more coherent if you would attend to the subject matter of your debate rather than being side-tracked every few minutes and not making a very coherent statement. I really cannot follow your method of debate.

SENATOR T. E. BARKER: The Minister interjected on what I think was a foolish point, so I had to answer him.

Mr. PRESIDENT: I do not mean on that occasion only. I will not permit you to refer to anything which is said by any Honourable Senator as being foolish. You will withdraw that. I wish you would really stick to your debate instead of being side-tracked every few minutes and trying to drag other people's thoughts into it and so on.

SENATOR T. E. BARKER: Sir, I did not drag...The Minister got up and interrupted me. So I had to respond to that interruption.

Mr. PRESIDENT: All right. You may continue now.

SENATOR T. E. BARKER: Sir, I am not suggesting that because it is \$15 000 that they should just squander it, as the Minister is putting words in my mouth, to suggest. I am not suggesting that. All I am saying is that you are talking about a small sum of money; you are talking about a few fishermen who make a living from inshore fishing and, for whatever reason – the former Minister of Agriculture said it was his idea – so because he woke up one morning with an idea are you going to affect the lives of these people who have done us nothing? All they are doing is trying to make a living for themselves and to make themselves independent.

Sir, the signal that we are sending to our people must be of importance here. You are saying, "You get a little ease from the Government so we can squeeze you every way we can. You are not supposed to get anything at all." We are going to look around and every little concession that is given to small people – we are talking about economic enfranchisement – all of these people are small people because the big corporations have the big ice boats and so. You are talking about the little fellow who has a boat valued at \$10 000 or thereabouts. Those are the ones, you are penalising. Those are the ones that you are hurting.

The Minister is saying that it has been abused. I do not know to what extent the abuse is but the abuse must be less than \$15 000. While I am not suggesting that Government does not stop any loopholes, there are a lot bigger loopholes that need stopping. There must be an effective and efficient way of ensuring that only *bona fide* fishermen are able to make use of this subsidy.

I believe that all fishing boats have to be registered. So then you make sure that only the registered boats make use of this facility. If a fellow has a pleasure craft or whatever, if he is fishing for sport, then he will not be licensed in that way. He is not able to abuse this facility. That is all that is needed.

But for \$15 000 we are going to be made to listen to the Minister reciting a litany of woes all for \$15 000. I am saying the signal that we are sending must be the wrong signal. I do not buy the Minister's argument about the inshore fishing hurting the environment because he admits that much inshore fishing does not take place.

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I did not make that statement and I do not want to be misquoted, please.

SENATOR T. E. BARKER: Sir, he mentioned that the contribution of this type of fishing is marginal. I take it to mean that much does not take place. The contribution that they make is marginal – a little contribution. I do not see how marginal inshore fishing can damage the marine environment. I do not get the point. I do not see how a little marginal fishing, a fisherman going out there and catches a few pot fish can damage our marine environment. The sea eggs are a different matter because the sea eggs...

Mr. PRESIDENT: Will you stick to your debate and ignore, completely, any asides. I have told you that repeatedly.

SENATOR T. E. BARKER: Sea egg fishing is part of the inshore activity which the Minister highlighted. I am saying some of these same boats use the outdoor motors when they go to harvest the sea eggs.

The reason why sea eggs are not plentiful has nothing to do with the fellows with the outboard motors. It has a lot to do with our policing...

Mr. PRESIDENT: All right. Do not let us get side-tracked into that.

SENATOR T. E. BARKER: Sir, I am not being side-tracked. I wish you would allow me to develop my points. I am making what I think is a valid point.

The point I am making is to blame the subsidy on gasoline for the destruction of the sea egg industry is stretching it a long way, stretching the imagination too far, too long. There are lots of other factors, some biological, others of a criminal nature because it is an offence to harvest sea eggs outside of a particular season. All these factors combine to destroy the sea egg.

I wish to put on record that I do not believe that removing the subsidy on gasoline will in any way positively affect the inshore marine environment. I don't see the connection. I see this as yet another example of Government getting at the small man. That is how I see it. This is just another way, where a fellow is trying to make a living, and Government is doing all they can, in spite of all the big talk about the small man and about enfranchisement and so on, this is just another example where the Government's words are not matched by equivalent action. I see this as petty and totally irrelevant to the problems facing Barbados, Sir, for us to come in here and spend half hour or whatever time debating something like \$15 000, when there are much more important matters of state to be addressed. Sir, to have me stand up here talking about this is a waste of my time.
3.05 p.m.

Mr. PRESIDENT: Are you confessing that you are wasting time?

SENATOR T. E. BARKER: Yes, Sir, I am doing that because ...

Mr. PRESIDENT: Then why do you wish to waste your time?

SENATOR T. E. BARKER: Sir, primarily because I feel good wasting my time because at least I know, Sir, that the Ministers when they come and do foolishness again they know that it will be aired publicly that they are doing foolishness. They are not going to do foolishness and get away with it. I said I am wasting my time because I know they are not going to change their minds because their minds are made up. They want to destroy the small man. Their minds are made up on that. They are clear on that. But I, Sir, will be a voice crying in a wilderness. I will forever speak, Sir, when I see the small fisherman trying to make a living and big Government spending \$1 000 million a year approximately... They got a \$15 000 subsidy and, Sir, as the Minister confessed, some of this \$15 000 is not genuine because some of it is used by people who are not fishermen.

Suppose, Sir, they contributed half, \$7 500, in subsidy that they are getting, do you mean Government would have to squeeze them too, and the Minister takes a pride in saying that it is not the IMF, it is his idea? I find that strange. I wish to have on record, my opposition, to this petty vindictiveness on poor innocent fisher folk who are

just trying to make a living to feed their families just like all of us in here are trying to feed our families. I invite, Sir, other Members of the Senate to agree with me that this measure should not see the light of day. Thank you.

Mr. PRESIDENT: Senator Alleyne.

SENATOR Dr. F. W. ALLEYNE: Mr. President, this Bill to amend the Consumption Tax Act for the purposes herein stated ... I am afraid that I cannot side with Senator Barker on the road he has taken. I agree with him it is a small sum of money which is being removed but I think Senator Barker has missed the fundamental point of this Bill. It has to do with the role of subsidies. It does not matter whether the subsidy is a penny or if it is a couple million dollars. It is why do you want to subsidise. That in my view, Mr. President, is the critical question which has to be asked. Why do you wish to subsidise?

I submit, Mr. President, that if a valid case is to be made out for subsidisation of the fishing industry it has to address the issue of whether it is a young industry, which in the view of the Government can make a substantial impact upon the economic and social life of this country, or whether the industry is in a major transition. For example, if it is recapitalising as we had in the fifties and the sixties when they were shifting from sail boats to fuel power engines.

I submit, Mr. President, these are issues which have to be addressed in making out the case or rejecting the case for a subsidy, not the quantum of the subsidy.

I have to agree with Senator Barker that there are several areas of subsidy in Barbados which need to be abolished. I am aware that in agriculture there are several subsidies which are provided and several which are unused and some which are abused and I hope this is the beginning of the rationalisation of subsidies.

Senator Barker speaks of a mere \$15 000. But again I reiterate, in Barbados today, I don't think it is right to speak about \$15 000 as a mere sum of money. There are many persons today without a job who would be glad to get hold of this \$15 000 so I am not going to agree that \$15 000 in taxpayers' money is something like a widow's mite.

This notion of Government being vindictive and spiteful and trying to get at the small man who is trying to make himself independent and make a living, I want to caution Senator Barker, Mr. President, this is dangerous talk. This is the language of many of the elements in Barbados today who are making life difficult for us. I am not saying the Senator is encouraging it but I just want him to be cautious because I know the Senator is, at heart, a decent man and I say that in all honesty when I make the comment about Senator Barker. It is not a comment that I

make lightly. This kind of language is the language of many of the criminal minded in our midst today. The first thing they will tell you is: "I am making an honest dollar. Do you want to deprive me from making an honest dollar and send me to commit criminal offences?" We have to be careful about that.

I submit, Mr. President, that the fishing industry which we are talking about today is not an industry which is dominated by paupers. It is not true. Fishing is a profitable activity. I would not be specific. The Chamber does not allow it. I know of persons who have made their living and continue to make their living from the fishing industry and they are people of very substantial means in this country. They may not large it off, but make no mistake about it, they are some of the hardest people to tax. If you are hard to tax there is no reason why Government should subsidise and I have no hesitation in taking that position. I would hate to think that any Government of Barbados, whether it is this Government or a Barbados Labour Party Government, could be so backward as to use public policy to wage a vendetta against a particular class of people, particularly the lower income people. I am against using public policy to wage war on anybody. It is unthinkable that any Government would want to do it and I reject as pure political talk this submission by Senator Barker that the Government is using the measure to get at the small man.

Mr. President, in supporting this Bill it is my earnest desire that this Bill does not represent an *ad hoc* approach to the rationalisation of subsidies. Senator Barker suggested that this was an IMF inspired measure. Mr. President, my position is somewhat different from his. The Leader of the House assured us that this measure predated the IMF but I have no difficulty if the IMF inspired it, as long as they brought a proper and coherent framework to the whole issue of subsidies in this country. Thank you, Mr. President.
3.15 p.m.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I had intended saying much of what Senator Alleyne said to rebut the comments made by Senator Barker. It is unfortunate that in making an intervention one always has to cast aspersions on the other side, that they are doing something to wrong somebody, the poor, down trodden masses, when in fact if one examines the matter rationally one will discover that the people who carry out the abuse in relation to this type of subsidy are not any poor, down trodden mass of persons.

I was around in 1956 when the subsidies were made available, because we were changing over from sail boats to a boat with an engine, not an outboard motor, the Petter and that type of engine that has come on the scene, and we were making a whole host of boats. Government was providing subsidies for the construction of the boats,

providing assistance for the people who were getting the engines, by way of loans, and then going on top of it and providing a different subsidy for gasoline. It had nothing to do with any proper Government; there was no proper Government; it was the old Executive Committee, so do not take any praise for that for any party. That was dictated by the Colonial Secretaries of the day. Let us be realistic.

When the time came to move on from that type of small boat with a powerful engine – and the engines were far too powerful for many of the hulls which were constructed and they went to the ice boats – that day of the subsidy was passed. So all we were doing early in 1991 when we looked at this thing, was that we were catching up with what should have been done. This is one. The other one was the area of the abuse of the subsidy which was given to people to facilitate them with vehicles to transport produce, and you know how many vehicles are on the road, even now, although we are proposing to introduce a system which will identify those vehicles to determine which persons obtain the subsidy and use the vehicles for purposes other than agriculture. We are having some problems in introducing the system, but the licensing is coming. It is not easy to police these systems, and in fact it would cost much more than the \$15 000 to police this \$15 000, because you are talking about putting in a system and policing it. It would cost you more to police this \$15 000 subsidy than to abandon it. Hence, we took a decision to abandon it, and I make no apologies for that, in the interest of the country.

I support the Bill.

The question was put to the Senate and agreed to.

SENATOR T. E. BARKER: Mr. President, I wish that my dissenting voice be recorded.

Mr. PRESIDENT: Yes, it will be.

On the separate motions of SENATOR THE HON. L. V. H. LEWIS, the Bill was read a third time and passed and cited as the Consumption Tax (Amendment) Act, 1992.

ORDER NO. 4 – THE BETTING AND GAMING DUTIES (VALIDATION) BILL, 1992

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the Betting and Gaming Committee, established under the Betting and Gaming Duties Act, Cap. 60, is made up by the appointment of 7 public officers or their nominees, these persons being –

The Comptroller of Customs
The Commissioner of Inland Revenue
The Commissioner of Police
The Solicitor General
The Permanent Secretary, Ministry of Finance

The Permanent Secretary, Ministry responsible for Sports

The Permanent Secretary, Ministry responsible for Community Development

The functions of this Gaming Committee are set out at section 16 of the Act. The tenure of appointment to office of this Committee is determined by Cabinet on the recommendation of the appropriate Minister. It occurred that the life of a Committee was due to expire on 30th June, 1991, and because of inadvertence and a filing away of papers the Committee was not reappointed on 1st July, 1991, and indeed that error was not corrected until February, 1992 when the Committee was appointed for the period of three years, commencing in February 1992. As a consequence, the period 1st July, 1991 to 14th February, 1992 certain decisions might well have been taken by the Committee which could be challenged as being out of order.

What this Bill now seeks to do is to validate any action which may have been taken by the Committee during that period, 1st July, 1991 to 14th February, 1992, so that their actions might lawfully have been undertaken.

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

SENATOR T. E. BARKER: Sir, first let me say I have no difficulty with the Bill as such, but I do not like sloppy management, and this is what is coming across to me.

SENATOR THE HON. L. V. H. LEWIS: Sir, on a point of order. The Honourable Senator uses words which convey the wrong impression. What is sloppy management?

SENATOR T. E. BARKER: Sir, we have a situation where the life of a body has expired and nobody in the Civil Service, or wherever, recognised that the time had expired. That is what I call sloppy management. It must be sloppy. There is no situation that should arise where something like this should happen. It should not happen, because whoever is Secretary to the body should be doing his job and must know that the time has expired and inform the relevant Minister that in the next month or two the life of the body will expire so that he can do something about it. If that had been done, I will have to blame the Minister, but if they have not done that, whoever is the appropriate Civil Servant is to be blamed. The point is that we have to tighten up on our administration. I do not like these things happening. It does not look good and it does not sound good. This is the second occasion today that we are passing legislation validating certain actions. All I am saying is let us tighten up the act. Let people do what they are supposed to do and stop this foolishness. I do not like validating legislation. It leaves a bad taste in that you have

to come to Parliament to validate something which was done a year or so ago. People should not be doing things without authority. We have to be very careful.
3.25 p.m.

On the business of gaming I do not believe that in our society we should tolerate the selling of any tickets to minors. I am particularly speaking about the Lotto. There is a lot of evidence where school children...

Mr. PRESIDENT: Do we condone that?

SENATOR T. E. BARKER: Maybe I am not phrasing it properly, but I know that school children have been seen in lines buying lotto tickets.

Mr. PRESIDENT: All right.

SENATOR T. E. BARKER: They should not be allowed. We have to tighten up to make sure we protect our minors and because we do not want a 12-year old fellow getting the idea that there is something called "easy money" so he has the \$2 in lunch money that his parents gave him and before he goes and buys a sweet drink and a cheese cutter he goes and buys a Lotto ticket in the hope of winning half a million dollars.

Sir, I am fundamentally opposed to all gambling of all forms or fashions. I will be diametrically opposed to it until I die. I think it is sending the wrong signals. I am especially concerned when...

Asides.

Mr. PRESIDENT: Continue.

SENATOR T. E. BARKER: Sir, it is okay for a grown man to work for \$200 a week and before he carries \$150 or plus for his wife and children he goes and spends \$50 in a game of chance. We hear of people having an old car and selling it for a couple of thousand dollars and investing in a lottery in the hope of becoming rich.

Mr. PRESIDENT: ... and buying another car.

SENATOR T. E. BARKER: Yes. ... and hopefully buying another car.

I get a bit annoyed when I walk through Bridgetown, especially Broad Street. You cannot walk for 6 steps before somebody pushes some sort of ticket at you. I believe it is inculcating in our people a sort of attitude which is not conducive to entrepreneurship or good work ethics; a whole concept of getting money free. We have to be careful about the whole thing of gambling. I remember when I first came back from England 15 years ago the craze was the

"one-arm bandits". My party was under attack – in my view quite rightly – with regards to the "one-arm bandits". I say quite rightly because I am fundamentally opposed to all forms of gambling. The other side gave us all sorts of licks about our attitude towards the "one-arm bandits".

Now, Sir, everything is turned. Those who when they were in opposition heaped abuse on us for allowing the "one-arm bandits" to come into the country. They are the ones who are saying nothing when the proliferation of these games is taking place. I find that strange because if they were against gambling 15 years ago they should be against gambling today. I am not hearing the same voices that I was hearing then.

Mr. PRESIDENT: Am I understanding by your debate that you are suggesting that those persons are now in favour of it and they objected to it formerly? I am trying to follow the trend of your argument.

SENATOR T. E. BARKER: They were vocal 15 years ago in condemnation of the "one-arm bandits" and I am not hearing them now. The silence is deafening.

Mr. PRESIDENT: Maybe they are hoarse.

SENATOR T. E. BARKER: Sir, I would sincerely hope so. If they are hoarse they have a pen and I have never seen a man's hand being hoarse. They can write letters. I do not know if they are suffering from arthritis but they can write letters. In the same way they were condemning 15 years ago they can find another means now of condemning. I see no great difference between the "one-armed bandits" and the other games because in a sense with the "one-armed bandits" you had to leave home to go somewhere but now all over the island wherever you turn, especially when there is a half million dollars at stake, you see long queues of all sorts of people, children *et cetera* buying these tickets.

I have a fundamental problem with the proliferation of these games. It is encouraging our youngsters to think that money is easily attained without having to let out sweat. I would hate to see the day when we sell ourselves so short that in order to get a few tourists to come here we set up casinos. I, for one, would be violently opposed to whichever Party brings casinos here. It will have my undivided opposition.

I am worried about these things and I prefer our people to say that whatever they will get in life they will get by using their brains, hands or whatever in order to progress. We know that these so-called easy ways of making money invariably lead to ruin. We have enough moral problems already in Barbados without heaping further problems on ourselves.

With these few words, I have no problem with the Bill although I wish there was no gambling in Barbados. Thank you.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I welcome the levity of Senator Barker's remarks given the season of the year. I always thought he was some kind of Puritan. He would love to live in a country in which there is no gambling, but in Christ's day there was gambling. When he went into the Temple as you will recall he found there was gambling there and he kicked them out of the Temple. If it happened in Christ's time it will happen now.

The task before legislators is to come to grips with objective reality and regulate it. You will never be able to eliminate it. The challenge is to regulate.

To set the record straight, Mr. President, Senator Barker suggested that Government is culpable for the second time today for bringing validation legislation. The first bit of legislation to validate acts done had to do with the Anglican Church. The Government and the Leader of the House was just the conduit of a messenger. That does not have anything to do with the Government. The Government is facilitating as I would understand it. I want to get that very clear. This notion about the second time today...
3.35 p.m.

SENATOR T. E. BARKER: Sir, on a point of order. I may be wrong on this but I thought that the whole idea of gazetting Bills was done by the Attorney General's Chambers.

Mr. PRESIDENT: The Attorney General's Chamber?

SENATOR T. E. BARKER: His office.

Mr. PRESIDENT: Yes, a little more slowly.

SENATOR T. E. BARKER: I am saying that when it comes to gazetting these things, I thought the Attorney General's office would be the agency to do the gazetting.

SENATOR THE HON. L. V. H. LEWIS: On a point of elucidation, Sir. It is a fact that subject Ministries have responsibility for regulations which are made either by the Minister or by the statutory board. In the case of the regulations made under the Anglican Church Act, they were made by the Diocese so the responsibility could not have fallen on any Ministry.

Mr. PRESIDENT: Thank you. Proceed, Senator Alleyne.

SENATOR Dr. F. W. ALLEYNE: Mr. President, Senator Barker is purporting to treat all games of chance in

the same way. I submit that it is a valid basis for differentiating between them. There are some games of chance which one can categorise as an industry. I want to place a game of chance like Lotto in that category in sharp contrast to the one-armed bandits which Senator Barker apparently does not fully understand the dangers of.

I have always taken the position that I would not allow a one-armed bandit to take away my money and I have 2 arms. I do not play them. I understand the psychology of it because I have watched people play them. You will see a chap goes to a one-armed bandit and quarter after quarter he is losing. The more he is losing the more eager he is to put in to get back. When he is broke he goes to somebody and ask him to lend him 2 quarters. It is a certain psychology that develops when you play that kind of game.

I have watched the stories of many people who play Lotto. A fellow decides he is going to spend \$2, \$4 a week or \$20 a week and that is what he plans to spend. So I want to make a fundamental difference between that type of game and the one-armed bandit which I am opposed to. I have said publicly why I am opposed to it. It is very noticeable that with the introduction of one-armed bandits in the country the pattern of crime in Barbados changed. Robbery and assault, especially robbery against the person... It is a fact. I have the statistics and I would be pleased to present them to this Chamber. There has been a fundamental change in the pattern of crime in this country starting with the introduction of one-armed bandits. Check it and you will see and we have not been able to turn it back.

The Lotto industry is a young duck game of chance. It generates employment for more than 1 000 in Barbados beside the commissions earned by the business people whose premises are available for the location of those machines. I am not a defender of Lotto. I am just drawing the distinction since the point is raised here.

It is very passing strange, Mr. President, that a couple minutes ago Senator Barker was lauding the dignity and the desirability of supporting the small man when the Leader of the House was bringing a resolution for the abolition of the subsidy. Now the same Senator Barker is saying that when he goes into Bridgetown this body and the next is pushing a ticket at him. Who is doing it? It is the small man but he is offended by that. What has become of the small man now? You have to be careful. I am not saying that I like people who hassle and harass people. I do not like it but many of these people who are selling those tickets do it for a living. What you want is that they adopt a more courteous and sociable standard.

I am not taking the position that I am totally against gambling. It is an unrealistic position. I believe certain forms of gambling, those which generate that viciousness,

should be cut out. I have always held that view. I suspect that many of the minors whom you see purchasing Lotto tickets are doing errands for their parents. The people to get at are the parents. You have to get at the parents in that respect. I take Senator Barker's concern and the message has to get across to the parents.

On the question of casino gambling, some time ago, Mr. President, in this very Chamber, I said then that I fully understood Senator Barker's difficulties on a particular issue which he was addressing. I said then I thought he was at the tail-end of the Barbados Labour Party. I am more convinced about that today than at any other time because there is a certain lady who writes 2 letters in the Press every day, a prominent supporter of the Barbados Labour Party, and she is all for casino gambling. This convinces me...

SENATOR T. E. BARKER: Mr. President,...

Mr. PRESIDENT: Is this a point of order?

SENATOR T. E. BARKER: Yes. I think so.

Mr. PRESIDENT: Well, let me determine that.

SENATOR T. E. BARKER: Sir, he is saying that I am at the tail-end of the party and to prove it he is saying that a certain lady whom he thinks is a supporter of the Barbados Labour Party writes letters to the contrary.

Mr. PRESIDENT: All right, your point of order now.

SENATOR T. E. BARKER: My point of order is the gentleman is having difficulty with his point of logic. Why am I on the tail-end of the party because some other person writes letters to the contrary? I do not understand it.

Mr. PRESIDENT: I do not understand how that is a point of order.

SENATOR T. E. BARKER: Sir, he has called my name in a certain matter and to prove that I am in a certain position he is bringing other things in so I want to know how my name got in.

Mr. PRESIDENT: Will you take your seat. I do not see that as any point of order at all. You do not interrupt unless it is really a point of order.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I am not going to object because the Honourable Senator refers to me as "he". But I also know the Rules of the House restrict me from calling the names of persons who are not Members of this Chamber. But it is a serious point I am making. I think the difficulty in terms of

understanding the problem with which Senator Barker is grappling, one has to recognise that his party has moved away and left him and in that sense he is on the tail-end of the issues.

Mr. President, I am much obliged to you, Sir.

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

On the motion of SENATOR THE HON. L. V. H. LEWIS, Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, SENATOR J. J. PAYNE in the Chair.

Clauses 1 and 2 were called and passed.

On the motion of SENATOR THE HON. L. V. H. LEWIS, Mr. CHAIRMAN reported to HIS HONOUR the PRESIDENT, the passing of one Bill in Committee and Mr. PRESIDENT resumed the Chair and reported accordingly. 3.45 p.m.

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

LOCAL LOANS (AMENDMENT) BILL, 1992

Order No. 7 was called – To move the Second Reading of a Bill to amend the local Loans Act, Cap. 98.

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, even now, Sir, as I introduce this Bill which seeks to amend the Local Loans Act, Cap. 98 this Government is addressing the overall management of the public debt which it considers to be a tool in the overall management of the economy as important as that of fiscal policy and monetary policy.

The Public Loans Act, 1961 was enacted by Parliament on the 16th November, 1961. This gave the Government the authority to borrow money for the purpose of offsetting the cost of the country's development programme.

If local borrowing is defined as borrowing from one's citizens – the local citizens resident here in Barbados and commercial banks in the local currency – then logically, local debentures which are obligations with a maturity of over 10 years, Treasury Notes – and these are obligations with a maturity of over 1 year but not more than 10 years – and Treasury Bills and Certificates – these are securities with a maturity of up to 1 year or less – logically all of these should be included within the local Loans Act.

As it stands, however, Treasury Bills and Certificates are dealt with – and we will be addressing that in a Resolution listed No. 6 on the Order Paper – under the Treasury Bills and Tax Certificates Act, Cap. 106. I have a problem with this because, in my opinion, it is all part of local borrowing.

We must bear in mind – that is why I was at pains to point out the enactment of the Local Loans Act – that at that time the country was not served by a Central Bank. Treasury Bills have been recognized as instruments used generally by Central Banks and Federal Reserve Banks to control the supply of money in the economy by operating generally through the commercial banks within their respective jurisdictions.

We in Barbados have introduced Treasury Bills as part of our overall fiscal policy to even out the flows of revenues and to ensure that there is a source of funding available for Government revenues in the short run. We should bear in mind that the Treasury Bills are very close and similar in nature to the overdraft facility which the central Government has with the Central Bank, both short-term facility.

As we consider the measure before us, we should recognize that Government borrowing from its citizens or local borrowing should not be compared with foreign borrowing. It is true that, in both instances, more funds would be available to Government but this is as far as the comparison will go. With foreign borrowing, at the end of the day, we must find foreign currency to repay it. We could roll it over but, at the end of the day, we must find foreign currency to repay it.

On the other hand, with local borrowing we can either tax our citizens to retire the loan or roll it over, by inducing through changes in the rate of interest of local financial institutions or individuals, or even within the hands of commercial banks as we determine what instruments can be held as reserves. We could induce local financial institutions to take up the offerings. But we must be careful as we consider this to think that this is about the only impact of local borrowing. Local borrowing has two other major impacts: redistribution of impact and depending on the parties who subscribe to the debt instruments which are being offered, it could also have an impact on the money supply.

To the extent that there are excess reserves in the banking system or if there is an increase in savings with no demand for funds for investment purposes, then Government through its local borrowing, assuming it is borrowing to augment revenues for expenditure purposes, will be contributing to local, economic activity.

In addition, to the extent that Government is borrowing funds from those with a low marginal tendency

to consume – and that is important – but paying out of these funds with high marginal tendencies to consume and import then there are foreign exchange implications, although funds are borrowed locally. Because you are taking funds from people who have saved, spending it on certain projects and, depending upon who the recipients are of the funds so spent, and given their desire to spend and/or save, there can be a determination whether there will be leakages in the external sector.

Furthermore, Mr. President, to the extent that commercial banks have excess reserves and/or they are soft loan demands within the economy, Government through its local borrowing will provide an opportunity for the commercial banks to earn income and by so doing increase their profitability. And to the extent that these commercial banks are not like the Barbados National Bank – locally owned but rather foreign owned, then foreign exchange must also be found for them to repatriate their profits. Thus recognizing the economic benefits to be derived when loan and investment demand is sluggish and there are excess reserves in the economy, by seeking to maintain a given level of expenditure, expenditure through borrowed funds would ensure that employment levels will not fall and that suppliers would be paid more promptly.

Thus, under the Local Loans Act, 1988–1 the limit of the nominal value of Local Debentures and Treasury Notes outstanding is \$450 million. This limit was set in 1990. The nominal value outstanding at March 31, 1992, bearing in mind that the limit is \$450 million is \$427.8 million. That is, \$22.2 million below the statutory limit of \$450 million. It has been determined that in order for Government to get on with its capital works and fund its programmes, especially in the face of the fall off in demand for investment funds by the private sector, Government will need approximately an additional \$84 000 000 in new capital. This Bill therefore seeks to raise the ceiling under the Local Loans Act 1988–1 by \$100 000 000, thus increasing the limit from \$450 000 000 to \$550 000 000.
3.55 p.m.

What we are saying here is that we are dealing with local borrowing and each component of local borrowing has its own separate and distinct limit. There is a limit on the Ways and Means Account that Government has with the Central Bank. There is a limit on the Treasury Bills Account. There is a limit on debentures. And what I am saying is that perhaps, in order to give greater flexibility to Government to carry out this overall policy, and recognising that there are many roles which Government must try to meet and all the goals are not compatible as you think about full employment, you think about full employment, you think about rising prices, you think about leakages in foreign exchange, you think about stability in the foreign exchange, the more tools you have at your disposal, the better it would be for you. As a consequence

it might be even more desirable if there could just be one limit, if you will, artificially even though it might be, placed on the local loans and have all of them given the flexibility to the Government and the Central Bank to determine what the mix should be within that grouping.

In addition, Government is committed to reviewing the entire mix of credit instruments available to it. We currently have the Debentures, Treasury Notes, Certificates, Treasury Bills, but we need to look at these, especially with an eye to their maturity and in terms of making them more attractive to people to hold them, both to locals and to Barbadian nationals living overseas. There are many Barbadian nationals living overseas who would be willing to hold local credit instruments which will attract an infusion of foreign exchange with a guarantee if the instruments are made sufficiently attractive in terms of marketing them.

Perhaps this is as good a time as any since from time to time if the double debt is held by locals then the time might be right and ready for the consideration of the introduction of a debenture into the credit instrument mix that would not have any maturity at all. I think the British have experimented with the concept that has 99 years life but you can redeem it as you see fit, given the conditions, if you want to put money into the system, if you want to take money out of the system. It would be an additional instrument to give to the stock exchange where people who are holding them could put them in the stock exchange and given the existing rate of interest in the system, they would be able to sell them either at a premium or at a discount.

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

Mr. PRESIDENT: Senator Barker.

SENATOR T. E. BARKER: Sir, it was in December 1990, that the Local Loans Act was amended. Is it coincidental, Sir, that this is time of the year that you are amending it? Or is it because there is an IMF test to pass in the next few days? I believe, Sir, that this Bill has more to do with the test that we have to pass in the next few days than with anything about raising money for development and all of that.

Sir, to me the Bill is an indication that what the Prime Minister said 2 or 3 weeks ago is no longer valid. Sir, if you can remember, in his Independence Day Message, he talked about the improvements in both the internal and the external balances which I took to mean, Sir, that Government operations which were in a big deficit last year, was now back to normal. Given the fact that, in my view, we wrongly agreed with the IMF to have the fiscal deficit down to one per cent in the last fiscal year and to balance it this year, in my view, that was an over

ambitious target which put the economy further into decline. So this Bill, Sir, has more to do with the IMF than it has to do with anything else.

Sir, give me an opportunity to speak about the economy. I have a lot to say about the economy. Senator Beckles knows that I know a lot more ...

Mr. PRESIDENT: You will not refer to Senator Beckles. You will just stick to your debate. Go right ahead. Ignore the asides.

SENATOR T. E. BARKER: Sir, I cannot ignore the asides.

Mr. PRESIDENT: You will have to if you are addressing the Chair.

SENATOR: T. E. BARKER: I know, Sir, but it is difficult and almost impossible for me to hear comments and do not ...

Mr. PRESIDENT: If you do not ignore the asides well then you will just have to take your seat.

SENATOR T. E. BARKER: Sir, I take it then that I am going to speak in absolute silence?

Mr. PRESIDENT: You will proceed with the debate.

SENATOR T. E. BARKER: Sir, this Bill, as I said before I was interrupted by some cross talk is an indication that the Government's economic policy is in total disarray and to come now, Sir, and increase the local loans by \$100 million and in another Resolution they are seeking to increase the Treasury Bills by another \$100 million which is \$200 million from the local sector is an indication of failure.

Sir, what has happened to Government revenue over the past year could have been foreseen by all of us. I, Sir, in the Estimates Debate spoke about the over taxation that was taking place and it also hinted to the fact that we are so heavily taxed that increasing the tax rate is going to result in a decrease in the revenue obtained. And, Sir, for the year, in spite of all the tax increases, revenue for the calendar year has declined by some \$81 million so far. Sir, I am no prophet but anybody with a modicum of common sense would know that the level of taxation is so high – around 35 per cent of GDP or so – that when you put more on that you are having more on less basically and the total take must decline. But, Sir, the Minister of Finance knew this. He heard me say it. He heard others say it. But he would not take heed. The result is, Sir, that if he had left the tax rate where it was and allowed a little bit of growth in the economy with the existing tax rate, chances are that he could be bringing in more revenue than he is bringing in now.

Mr. PRESIDENT: Do you need to be prompted, Senator Barker?

SENATOR T. E. BARKER: Sir, I am not being prompted. If my colleague cannot help me something has got to be wrong. If she cannot pass something to me without being ...

Mr. PRESIDENT: While you are on your feet?

SENATOR T. E. BARKER: Yes, Sir. We are a team. 4.05 p.m.

Sir, the Minister of Finance promised to reduce the revenue to some 29½% of GDP, but not only is GDP declining, but so is the tax revenue. He is achieving a reduction in revenue by bringing about a reduction in GDP, because the figures might well indicate that for the first time in history a nominal GDP is set to decline, because the economy is projected to decline by about 6% this year. Nominal GDP can very well decline for the first time in history. Even in recessionary times real GDP declines, but for the first time it is looking as though we are going to get a contraction in nominal GDP.

Sir, the economy is in a mess and the effects of the past three years where we had a decline of 3%, 3½%, and now we are told it is going to be around 6%, must throw Government's revenues seriously out of line, especially as we depend so much on indirect taxation. The Bill we are now discussing comes about as a direct result of Government forgetting fundamental principles of public finance and going ahead. Every time you are hearing about increasing this consumption tax, increasing this tax, and this is the end result.

Sir, the key to the problem must be to get back growth in the economy, because when the economy is growing revenue as a consequence will grow and the results will even indicate that revenue tends to grow faster than the rate of growth of the economy. Also, when the economy is declining, we get the reverse, so the key would not be in adjusting the tax rates, as Government seems to want to do all the time, the key must be to stimulate the economy to get growth within the economy. This has nothing to do with growth. On the contrary, these Bills, as I will prove later, will further retard growth within the economy.

Mr. PRESIDENT: You said that already.

SENATOR T. E. BARKER: Sir sometimes repetition is good. The Minister, in presenting the Bill, spoke a lot about public debt management. I want to stop there for a little while and talk about public debt management. Over the past year we have seen a situation where we are paying back to the rest of the world, whereas the foreign

component of the national debt has declined by over \$180 million in the last year and a half. If you look on the other side of the coin, you see that the local component of the national debt is increasing. I do not think that is good economic sense, because we are in an economy where there is a high propensity to import. What we should be doing, and this is what sound economic management is all about, is to make sure that our productive sectors, especially the export sectors, are so vibrant to allow us to go into the international markets, because we still need foreign exchange. So that if we had put more effort into it and paid more attention to the foreign earning capacity of the country, especially manufacturing, tourism, sugar and those, then we would be in a better position to manage any national debt.

I do not think it makes sense, given the sort of pressure we are under, to be paying back to the rest of the world \$180 million. It is bad economic management. But then that is what the IMF is all about. The IMF seeks to make sure that the country must step further back into the quagmire, so to speak, that instead of using the little foreign exchange we have to develop our export earning capacity, we have to use it to pay back external loans. As I said in here already, the Rumanian dictator, Ceausescu, had an ambitious plan to eliminate the foreign debt, and I think it was at Christmas a couple of years ago we saw the result of that. He lost his head. So I do not think it makes too much sense to be repaying to the rest of the world at a time when we need injections of capital and so on in order to make our productive sectors more efficient and better able, in the medium and long term, to earn foreign exchange for the country.

I am not aware as to what passes for proper government in this country, because there is another component to it. There is a certain amount of credit out there, and if Government is soaking all the credit in the local sector, what is left for the productive sectors? Only the other day, Sir, the sugar industry wanted \$7 million in order to prepare for next year's crop – what little crop there is – and they had so much rigmarole to get the \$7 million – an industry which could bring in about \$50 million in foreign exchange – at a time when the acquisition of foreign exchange is one of the most important and pressing problems we have, and an industry which could bring in \$50 million in foreign exchange, even in its weakened condition, and they want \$7 million in local credit. For weeks, between the Central Bank and the National Bank, all sorts of excuses were made and it held up the preparation of the factories for next year's crop. That can result when Government is soaking up all of the...

SENATOR Dr. F. W. ALLEYNE: Mr. President, on a point of order. Senator Barker is misleading this House. The matter of the Barbados Sugar Industries Limited not being able to access the credit which they wanted recently

did not have to do with Government borrowing; it was linked to the restructuring of the industry. The point was that as long as the industry was not restructured along the lines the Government was suggesting, the money would not be forthcoming. It had nothing at all to do with Government borrowing.

SENATOR T. E. BARKER: Sir, I am not sure that Senator Alleyne is in a position to tell me Government's policy, but to back up my point about the Government soaking up the credit, I refer to the Economic and Financial Statistics published by the Central Bank of Barbados, the one for October, and it shows on page 37 the extent to which Government is taking up all the domestic credit. Sir, credit to the private sector, December 1990, was \$1.319 billion; August this year it had declined to \$1.268 million, which is a \$50 million decline. This is domestic credit to the private sector, to industry, to agriculture, to tourism. What has happened to credit to Government? It went from \$498 million in December 1990 to \$638.7 million at the end of August.
4.15 p.m.

While we are seeing a decline in domestic credit to the private sector, there is a large increase in credit to Government. What we have here is Government in order to finance its runaway expenditure, some of which is of little immediate value, is taking all the credit out of the system and we are left to wonder how we will get our industry back on its feet if Government is not making sure that there is credit. All the sectors depend upon credit. The BDB is not lending them anything.

SENATOR Dr. F. W. ALLEYNE: Mr. President, on a point of order. Senator Barker is misleading this House again. I am quoting from the document which Senator Barker is using, October 1992, Economic and Financial Statistics of the Central Bank of Barbados. Senator Barker pointed to – and I am going to qualify it a bit – the monetary survey of outstanding credit at a particular point in time. The figures to which he pointed show that there was an increase in credit to the Government *vis-a-vis* a decline in outstanding credit to the private sector. This does not prove the point he was making about Government taking up all the credit in the system. It is not true because the same document shows that there are excess reserves in the banking system. That is misleading the House, I submit, Mr. President.

SENATOR T. E. BARKER: Mr. President, I do not accept that I am misleading the House. I am going to come to the excess reserves in a minute. Have I misquoted figures? The answer is no. I have not misquoted figures. The figures show that the domestic credit to Government has increased by \$140 million.

Mr. PRESIDENT: I do not think that Senator Alleyne said you had misquoted figures. I think he said you had misapplied the figures. There is a distinction. All right. Proceed.

SENATOR T. E. BARKER: Sir, I have to defend myself. I am not misleading the House. I have quoted figures to show that whereas domestic credit to Government increased by \$140 million that domestic credit.....

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir.

SENATOR T. E. BARKER: Sir, I have not finished my statement.

Mr. PRESIDENT: All right. Let us hear what your point of order is, Senator Clarke.

SENATOR T. E. BARKER: Sir, I am on a point of order?

Mr. PRESIDENT: I said Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I think if Senator Barker does not intend to mislead the Chamber he should indicate while he is quoting his figures that there have been loan demands being made in the private sector which could not be met and that the rate of interest was rising at the same time. To indicate that Government's outstanding liability increased at that point does not follow. He should know better. The private sector was being priced out of the market at that time and it is erroneous and false to draw that inference.

SENATOR T. E. BARKER: Sir, I do not know if the Senator lives in Barbados but last December the Barbados National Oil Company wanted \$3/4 million to carry out their drilling programme and they could not get it. I do not know where Senator Clarke is living but he seems way out of line. It seems he is living on another planet. All around we hear of industry being denied credit. The Barbados Development Bank would not lend them a cent.

SENATOR T. C. BECKLES: Mr. President, I think the Senator is definitely misleading the House. I would like him to identify any demands for loans made of the Development Bank that it has not been able to satisfy.

SENATOR T. E. BARKER: Mr. President, the Senator knows that I would not be in a position to know whether Mr. X or Mr. Y did not get the loan.

Mr. PRESIDENT: Then, what is your reference?

SENATOR T. E. BARKER: As I pointed out sometime ago, the amount of loan outstanding declined in the past few years.

I can find it for you. It is in here. I know this backwards.

Mr. PRESIDENT: You are referring to your reference to the Barbados Development Bank?

SENATOR T. E. BARKER: Yes. The second last time we were in here. I was pointing out that it was not lending any money and the total loans outstanding had declined. The record is here.

Mr. PRESIDENT: All right. Senator Beckles wishes to speak on a point of order.

SENATOR T. C. BECKLES: Mr. President, the fact that the loans may be less is no indication that there is a shortage of money in the Barbados Development Bank.

Asides.

Mr. PRESIDENT: Senator Mottley, do not let us have those loud asides.

SENATOR T. C. BECKLES: Mr. President, the Barbados Development Bank...

Mr. PRESIDENT: Senator Mottley, do not let us have those loud asides.

Asides.

Mr. PRESIDENT: Senator Mottley, do not let us have those loud asides.

Asides.

Mr. PRESIDENT: Senator Mottley, for the 4th time do not let us have those loud asides or I shall take some very serious action.

SENATOR T. C. BECKLES: Mr. President, Senator Barker has not and cannot demonstrate any evidence of the Barbados Development Bank's inability to service loans. It is not true to say that the Barbados Development Bank cannot service loans. As far as I am aware all of the loan commitments by the Barbados Development Bank are now serviced.

SENATOR T. E. BARKER: Sir, I was not talking about servicing. I am talking about Government loans. Servicing is a little bit different.

I wanted to get back to Senator Alleyne's point where he accused me of misleading the House. I was in here now for almost 2 years and you know that I would never seek to mislead the House.

Mr. PRESIDENT: Do not seek to draw me into that.

SENATOR T. E. BARKER: If an unfair, unsubstantiated charge is made, I expect you in your capacity to come to my aid. The point is that in spite of what Senator Alleyne says the Government has taken \$140 million in credit in the past year and a half from the banking system and at the same time the private sector cannot get loans. The BNOC could not get loans to drill wells to stop us from buying imported fuel. They mention excess reserves. Yes, the Bank has excess reserves but the figure is here, Sir, on page 33. At the end of August the Bank had \$10 million in excess reserves. I do not know. By now they have \$86 million more in Government securities than they are mandated by law to have. So yes, there is excess and liquidity there. But this is my point. The commercial banks are holding \$486.977 million more in Government securities than they are mandated by law. 4.25 p.m.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. Senator Barker knows full well that if the commercial banking system is holding excess reserves that they do not earn anything on them. On the other hand, if they are holding Government securities they will be earning a rate of interest on them. Therefore, it is to the advantage of commercial banks to hold Government securities rather than hold excess reserves. He knows this.

SENATOR T. E. BARKER: Precisely, Sir. I know it. I have no problem with that. The point I am making is, Sir, that in order to finance Government's operations, they are holding \$86 million more in Government securities than they are required to by law. That is the point I am making. So Government is still soaking up the credit. If the banks do not hold \$86 million of Government paper, what would happen? Senator Lewis would not get paid because they would not have any money to pay him.

Mr. PRESIDENT: No, no. You will withdraw that statement.

SENATOR T. E. BARKER: I withdraw it.

SENATOR Dr. F. W. ALLEYNE: I hate to rise but I have to. Page 33 of this document, Economic and Financial Statistics, October 1992 - Senator Barker is correct when he says that the excess holdings of circulated Government securities by the commercial banking system is approximately \$87 million. But the inference which he is drawing either by design or through default he is misleading this House. The Central Bank in Barbados has never, nor has any Government in Barbados, this Government or the previous one, ever forced a commercial bank to take up a treasury bill. The decision to take up the \$87 million was a decision made in the interest of the Bank

by the Directors of the Bank. Senator Barker must not mislead the House by making inference which are without foundation.

Asides.

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

Mr. PRESIDENT: Let us have one person speaking. Senator Barker.

SENATOR T. E. BARKER: Sir, the banks have \$87 million in money. Government paper, we know, is guaranteed. They do not have to worry about getting a loan office or anything like that. You just go and put your money in Government paper and come Hell or high water, as the saying goes, their money is assured. They are not going to worry about bad debts and the interest rate is good. But it is because of Government's dependence on Treasury Bills. We note that the interest rate on Treasury Bills between the ending of 1990 and now has gone up from 8.06%, and at one time it was as high as 13.95%. I am saying that because Government's securities are reasonably secure, because the interest rates were going up, the banks readily took excess holdings of Government paper. But, Sir, when the banks take up excess Government paper it means they cannot lend that money to the productive sector. That is the point I am making. We know when they lend to a manufacturer or whoever, there is a certain amount of risk, a risk which is very much less than if they had used Government paper.

I rest my case that because of Government's avaricious appetite for money they have crowded out the private sector. In short, Sir, the Government is just fulfilling its mandate to the IMF because this is the IMF Letter of Intent...

Mr. PRESIDENT: Let us hear what you are reading from.

SENATOR T. E. BARKER: Yes, I will tell you. It is the letter written by the Prime Minister and the then Governor of the Central Bank to a Mr. Camdessus. Paragraph 22 says:

"In August 1991, the Central Bank took a number of measures aimed at slowing the growth in private sector credit..."

Mr. PRESIDENT: At what time did you say?

SENATOR T. E. BARKER: In August last year, Sir, 1991.

Mr. PRESIDENT: Thank you.

SENATOR T. E. BARKER: In August 1991 the Central Bank took a deliberate decision to slow down the growth in private sector credit. I am hearing now that I am misleading the House. When I quote a figure I am misleading the House. I am a bad boy. I come in here to mislead you and the House when the Government committed itself to doing what I am accusing it of doing, that is, reducing credit to the private sector.

Sir, I do not want an apology because Senator Alleyne knows I would not come in here and deliberately mislead the House. It is not my style. If it is his style or the style of his friends on the other side...

Mr. PRESIDENT: You are saying not deliberately but otherwise?

SENATOR T. E. BARKER: Sir, I would not mislead the House. I cannot mislead the House unless I do it deliberately. I maintain that, deliberately or maliciously. We just saw how Government has crowded out the private sector to the detriment of the local economy.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I will not sit here and allow Senator Barker to make that statement. We recognise that there has been excess capacity within the system. If there is excess capacity because of a fall in GDP and economic activity, therefore because of that there is no need to borrow. Output has been falling within the economy. So to make the statement that Government has been crowding out the private sector is not true.

Mr. PRESIDENT: Senator Mottley, not that loud.

SENATOR THE HON. Dr. C. D. CLARKE: Had there been full employment in terms of labour and machinery and the private sector was then seeking additional accommodation and could not get it because Government was in the market, that is crowding out. But to the extent that there is excess capacity within the system, both in the private sector and at the Central Bank, and the commercial banks have excess reserves, there is no crowding out. I do not expect that Senator Barker, who should know better, would make a statement like that.

SENATOR T. E. BARKER: Sir, given the fact that Government has crowded out the private sector and the commercial bank market, and that a lot of firms are finding it very difficult to get loans to carry on their operations, in spite of all that, we still see that Government has to go to what I consider to be illegal – I use the word advisedly – activity in order to carry on its operations. I am referring to the Ways and Means.

Sir, some time ago when I spoke about Government breaching the law, a comment was made that the law was made for man and not man for the law or words to that

effect. I take the law very seriously. I expect if I am going down the road driving at 50 miles an hour that the Police will do their job and charge me for speeding because I have no right driving above 30 miles an hour. That is the law of the land. If you require me to respect the law of the land, it is more incumbent upon Government to respect that law.

Sir, the point must be made that the limit on the Ways and Means of 17.5% of revenue is not etched in stone. Government can come in here tomorrow and say the limit is increasing to 50% of revenue. They have the power. Government can raise it to 100%. Nobody can stop them. They can raise it to whatever they like. They have a majority. All we can do is argue and vote against it and whatever but, in the final analysis, Government can raise it to what they like. That is not the point. The point is, that having chosen a limit, Government must stick to that limit. I can drive my car safely at 50 miles an hour, but that is not the law. All I can do is talk to my MP and write letters and agitate to have the law changed. But so long as the law says that I am to drive at 30 miles an hour, I should respect and obey the law. Government is in a better position. Government can change the law. But still, in spite of Government having this power, we see the Government's Ways and Means is now about \$70 million above the legal limit. Indeed, Sir, for the past year Government was breaching that limit. I view this matter very seriously. This is a very, very important matter. It says something about Government's respect for law and order. We are having problems in the country with law and order. We have a lawbreaker and nobody can carry it to court. Nobody can carry the Government to court. Government does as it likes. It set a limit 2 years ago and totally ignored the limit, without even a word. Sir, it has to be wrong.

4.35 p.m.

We in the Senate should send a clear message to the Government, if you want to change the law, bring the appropriate legislation. I will vote against it, as is my right. But if the majority of both Houses vote for it, I can talk as much as I like it is still the law. But we must respect the law. This law is just as important as the law against stealing because all the laws in the Statute Book, in my view, are of equal importance. But who will bell the cat? Ministers sit down in Cabinet, day after day, and we are hearing of none of them having the guts to resign over this fundamental breach, not one of them.

Government has got to set this matter right. It offends me tremendously when Government... and people say I am part of Government. I protest most violently but in a legal sense I am part of Government. I am part of this. All I can do is to raise my voice in a loud protest. But it is just wind. Nobody is taking me on.

Mr. PRESIDENT: Then why such a futile effort?

SENATOR T. E. BARKER: A voice crying in the wilderness, "Prepare ye the way of the Lord and make His paths straight. Every mountain shall be brought down."

I hope that Government uses part of the proceeds of this \$200 million to settle the account with the Central Bank. I wish the Central Bank would get a strong leader, a leader strong enough to say, "Look, this is intolerable. You are asking me to do something which is against my conscience. The same way that I would not allow a commercial bank or business to operate in this way, I cannot allow you, as Government, to operate in this way." The Central Bank Governor must be able to say that. But we hear no word of protest. The matter just goes along as though it never happened. "Night will run until day catches it" is an old Barbadian proverb.

These Bills to raise this money on the local market, \$200 million of it... I do not know where they are going to get it from because I only see \$10 million left in the commercial banks. It is okay to have legislation like that but where is the money going to come from? That is the next question. Is there enough money? If a person says, "Look, I have a few thousand dollars in the bank, let me go and buy Treasury Bills or whatever" what would happen? The bank would have less money to lend. Because the banks only had \$10 million at the end of August in excess reserves. If, in order to buy this \$100 million in Treasury Bills, people go to the bank and take their savings and whatever, we are back to square one. It is having the same effect because there is no money lying down there from which the citizens – the citizens are asked now to put up \$200 million whether it be the individual or firm – are asked to fork out a further \$200 million. But where is it going to come from? We are in a closed system and if you take it from the commercial banks, the effect must be felt in the commercial banks lending. Government must say where is this \$200 million to be had from? You can raise the limit from \$450 million to \$700 million but where is it going to come from? That is the crucial point.

I suggest that with the high interest rates that are being paid on Government paper – fixed deposits are about 3% or 4% or maybe 5% – a lot of citizens are going to take the money from the bank and be attracted by the 10% interest rate on Treasury Bills. The result is that the commercial bank sector might very well find itself in trouble because there is not that great amount of excess money knocking around. I do not know if the firms have the money but I would doubt it because they are finding it increasingly difficult to finance their own investment. We are in a bind. But what is the key to it?

We have put ourselves in a situation where we are finding it extremely difficult to borrow on the foreign market. I am told that we may shortly be coming to this

Chamber to give Government permission to borrow money on the financial market. I hope, Sir, that it is not like the terms of the last Barclays loan of 2 years ago with high interest rates, almost usurious interest rates and very damaging terms and conditions. I hope that Government is not bringing another loan like that one.

But the point is, Government is in trouble. The effects of this is going to be felt next year because from all indications we have not seen anything yet. This is what has me a bit angry. We are in a structural adjustment programme. We have been in an IMF programme from October last year. We have been in a destabilization programme for the past year or so. But what has happened? You are asking the citizens of the country to tighten their belts. I have no quarrel with that. At times we have to tighten our belts.

Look at the industry, look at the economy. Is there any bright spot in the economy? Agriculture is destroyed and it seems as though it is irrevocably destroyed. The Government foolishly, against better advice – because I give the advice – put on duties on the manufacturing sector.

Mr. PRESIDENT: Are you saying that you advised Government?

SENATOR T. E. BARKER: Yes, Sir. If you remember, Sir, last year when the matter came before us I advised Government against putting on the duties on the manufacturing sector.

Mr. PRESIDENT: Oh, in that sense. Oh, I see.

SENATOR T. E. BARKER: As I said I am an adviser to this Government.

Mr. PRESIDENT: All right. I just wanted to understand what you were saying.

SENATOR T. E. BARKER: Sir, in spite of all the advice they were getting Government has put on these duties on the manufacturing sector. And now a year later, without any shame, they come back and admit that they were wrong to put on the duties on the manufacturing sector. Everybody was telling them the same thing.
4.45 p.m.

Sir, I listened one night to a CBC programme where a Central Bank Official was justifying Government imposing these duties. This person, Sir, was talking about the anti export bias of the manufacturing sector. Now I am alive a whole year later, it is not the same official now, but another high official in the Central Bank is hinting, because he could not come out and say it directly, that Government was unwise to put on the duties in the first place. Sir, in the meantime what happens? In the year that they were

learning the manufacturing industry has been virtually destroyed. So we are paying for their lessons and it is very, very costly. But, Sir, I am glad that at last they are getting a little bit of common sense. There is hope for them. The point is, Sir, that this Government can say that it has had the benefit of good advice but they only have one problem – they did not know how to use it. We advised them in this chamber that they cannot put this imposition on the manufacturers, Sir, at a time when they are reeling in the first place. They are reeling and you are putting an extra burden on them. Especially, in addition, you are reducing the man because you are reducing the disposable income of the citizens. You are pushing up their costs and at the same time reducing the citizens ability to purchase the goods. That was madness. So agriculture is destroyed; manufacturing destroyed and tourism is in serious trouble because, Sir, we failed to act decisively at the appropriate time.

Sir, I will never forget, in 1982 I went to England during the summer for a few weeks. Sir, when I got to England the first thing the West Indian Community hit me with is – "What are you getting up there and doing by stopping the locals from bathing on the beach?" Sir, I wish that the Honourable Member ...

Mr. PRESIDENT: That has nothing to do with this Local Loans Act – your going to England and not bathing on the beach and things like that.

SENATOR T. E. BARKER: Sir, I will bow to your wisdom because I do not want any controversy. The point I am making, Sir, is that our tourism which is the only thing that would bring us out... By not taking action on crime fast enough, by not dealing with the problem of beach harassment soon enough, they have waited until the horse has almost bolted before trying to shut the stable door. That is typical of the Democratic Labour Party – a lot of words, no action. What they are doing now was needed years ago. Since 1985 as Senator Beckles said. As he is saying, 7 years too late.

Sir, the answer to our problems does not lie in any Local Loans Act. It does not lie in further squeezing the private sector out of business. The answer to our problems lie in getting confidence back into the economy first of all and also by ensuring that the sectors are stimulated so that growth may result and when we get growth in the economy then Government revenues will automatically grow and the need for all of this borrowing on the local market will go. Sir, I did not mention expenditure because I recognise that it is easy to talk about expenditure restraint but it is extremely difficult to implement. It is very difficult to get public expenditure down. There has been some movement but look at the cost. A cost that over 3 000 people have gone home. The cost is, Sir, a lack of maintenance on the roads, on Government buildings – that is the cost. It is a very high cost because in the long run, to save \$1 000 000 today you will have, in the next 5 years to spend

\$2 000 000 to correct the problem. Because when you allow roads to deteriorate to that extent, when we come to fix them we are into tens of hundreds of millions to fix roads which could have been repaired at a fraction of the cost. So, Government is in a bind because it is very difficult to get public expenditure down. It is difficult in terms of human cost and in a sense we are only postponing a further escalation of Government expenditure. Although I must say, Sir, any areas of fact we have to make sure that we try it, including, Sir, if I may suggest that, cutting the size of Cabinet. We have to look to areas like that. Apart from that, Government has got to use all its energy to get the economy stimulated. But, Sir, the problem is that if you look at the GDP figures the major sector that has continued to grow is the distributive sector. That is one of the problems Government is facing. Agriculture is 10 per cent; manufacturing 10 or 11 per cent and so is tourism. The important areas that contribute to GDP are in the service and distributive sectors which require foreign exchange to keep them going. That is the bind that we are in, that in order to get the economy going we need foreign exchange. But the thing is that as long as we are in a depression then our ability to earn foreign exchange is severely limited. That is why, Sir, I cannot understand why the Government has allowed the sugar industry to go into decline. Sir, given that we may lose the ACP subsidy and so on, we may lose them in the long run but we are not going to lose them in the next few years. So, in the meantime maximise. In the meantime make sure that whatever you can glean you glean. But, what do we have? We could have sold over \$20 million more in sugar this year but we did not have it. The land is there. What is the land doing but growing bush?

4.55 p.m.

Sir, the point is that we can virtually ignore next year's crop. Whatever we get, we get, but Government should be planning for 1994, and to get a good crop in 1994 you have to plant the canes now. Even now is a little bit late. If we want a good crop in 1994, in October/November of this year we would have had to be preparing the land and doing the planting. But what do we see? Very little planting is going on.

Aside.

Mr. PRESIDENT: All right. Proceed.

SENATOR T. E. BARKER: Sir, I will just allow the volcano to subside.

Mr. PRESIDENT: I do not know what you mean by that. I do not know what you are talking about. Carry on.

SENATOR T. E. BARKER: Sir, Government is setting no example, because when I drive across the ABC highway and I look at the Belle Plantation, which is Government owned and is in a decent rainfall area, what do I see? Two or three years ago they made a big fuss and the

whole of the Belle was put in sugar and I do not think they got two good crops out of it. Look at it now. That is the example Government is setting. They want people to go out there and plant sugar and they are not making an effort to make sure that their own fertile land is under proper cultivation. We are not serious about our future. We cannot be serious. The main thing is that we have the markets there already; we have the technical knowhow; the land is still there and we are doing nothing.

Mr. PRESIDENT: Senator Barker, you have two more minutes.

SENATOR T. E. BARKER: Thank you, Sir. We are doing nothing to save our sugar industry. All we are seeing is the Government coming in here, when they are not increasing taxation, when they are not penalising people by taking off their subsidy, they further want to put the economy into recession by soaking up what little bit of money there is in the local economy, by encouraging people to move away from productive lending into Treasury Bills and such Government securities. That has to be wrong. As I say, Sir, the key must be in stimulating the economy, because by stimulating the economy you will get further growth in the future.

Sir, with those few words I urge Government to rethink the course and let common sense prevail. Let us make sure that whatever we do we stimulate the productive sectors which in the long run will increase Government revenue.

Thank you, Sir.

SENATOR T. C. BECKLES: Mr. President, I rise to support the motion and to say a few words. To say I was alarmed at the line of economic reasoning exhibited by the Senator who just finished speaking, is an understatement.

Economics, as all of us know, Mr. President, is a dynamic thing and the subject matter related to that is also dynamic. Statistics are a sort of snapshot of the economy and they tend to be static. Behind each statistic is an economic story to be told or inference to be drawn, and this is where, in my view, the Senator fell short. Or, if he did not fall short because of lack of knowledge, which I know it is not, I think he tried to mislead the House by inference.

SENATOR T. E. BARKER: Mr. President, I beg for your protection. Again, the Honourable Senator is saying I misled the House. He is saying that I did not make my comment out of ignorance, he is inferring that I deliberately, mischievously and maliciously.....

Mr. PRESIDENT: I did not hear the words which you are using.

SENATOR T. E. BARKER: Sir, with all due respect, he said he knows that I know better, or words to that effect, which means that it must have been deliberate.

Mr. PRESIDENT: All right. Thank you.

SENATOR T. C. BECKLES: Mr. President, I am saying the inference the Senator was throwing out as a result of his use of statistics was at least misleading. It was not based on sound economic reasoning, and, if he is an economist by training, then it is up to him to reconcile the difference. I cannot do it for him.

Mr. President, if we return to his argument, let us take first the Government borrowing and crowding out the private sector. First of all, economics has two sides, the supply side and the demand side. If the Government is borrowing the money and using it, then of course it must be creating a demand for some of the goods and services the private sector will be producing. The point the Senator needs to address is whether, if the Government did not borrow the money and use it in the way it did, the private sector could have found markets for the goods and services, for which they would have borrowed the money, that would get the economy going. To all intents and purposes, those of us who are living in Barbados and who have been following the trends in Barbados know that this is a particular problem with the Barbadian economy. If the Government is not spending, then you tend to find that the private sector, and in particular manufacturing, tends to find itself in trouble. Although the statistic would indicate that the Government is borrowing, I think he needed to go on to explain to the House that it is the process, the dynamic of the Government borrowing, using and spending the money, which gives life to the private sector. As a matter of fact, we are seeing it in front of our very eyes that the moment the Government has to contract, the private sector itself follows it.

In short, Mr. President, what we have observed over the last 15 years or so in Barbados is an economy which was driven by demand which was fuelled by Government spending. Over the last few years the world economy has changed; it is not making loans available at concessionary rates and developing countries all over the world are finding it that much more difficult to find money to underwrite deficits in their economies. This is fundamental to all the statistics he is throwing out. This phenomenon has to be explained and when you start to explain it you can see Barbados, Mr. President, in this situation almost as a sort of micro economy. We do not have to go to the macro. We are a small country, price takers in both supply and of the supply of goods to the world market and certainly, in demand for goods. We cannot influence the price on either side so we have to play the game as the world market dictates.

5.05 p.m.

We have seen a contraction in the loans available to Government which is forcing Government to contract. We

have seen as a result of that our own small economy having to contract. Looking at the manufacturing sector, all of us would wish that more could have been done to aid manufacturing in Barbados, but given the statistics that are there what could have been done when you have the manufacturing sector as it operates in Barbados and was operating as a high consumer of foreign exchange? If the constraint on your economy at any particular time is that particular factor that you do not have foreign exchange then what can you do in spite of the statistics that are being rolled off?

There is no way the Government could continue to service a sector that is consuming more foreign exchange than the Government can borrow. Since it cannot borrow any then that is the constraint. I am saying it cannot be placed on a particular set of policies by the Government. Government is just reacting to the world situation as must be the case with small economies – the price takers on both sides.

The Senator remarked something with regard to the Barbados Development Bank. Mr. President, I wish that time and time again when we are critical of a particular institution or thing or person in our society we criticise in a way that is productive. An analysis of the Barbados Development Bank function over the last 20 years would indicate that the Barbados Development Bank – we cannot say it is the bank of last resort – was designed to lend money to entrepreneurs with a higher risk than commercial banks would be easy with. One of the consequences of that is that when you look at the performance of the Barbados Development Bank you find you have a significantly high contaminated loan.

In 1988, we found that over 66% of the loans at the Barbados Development Bank were contaminated. They were not functioning. They were not repaying in the way that they should. This sort of thing is all right when you are in a world economy in which Government can borrow and underwrite those deficits. If the world economy suddenly says you cannot borrow anymore to underwrite those deficits, then you have to make the adjustments yourself. This is really what you are seeing at the Development Bank. The adjustments have to be made. We have therefore – and we have very skillfully done it – been able to continue to make our loans to projects that are viable or deemed to be viable by our professional staff in spite of the fact that we are functioning in a situation with this heavy burden of loans not being repaid.

If I wanted to be partisan, Mr. President, I would indicate that a high degree of those loans... The peaks, were made between 1981 and 1982 and again in 1985 and 1986. That is neither here nor there. The reason why I made that point is to indicate that while the Senator is now capable of being analytical at a time when nothing can be done – you know 20-20 vision – when things could have

been done and he could have indicated and made his analysis available to those persons who were making decisions which have now brought us where we are he apparently was silent or probably nowhere around. He is now critical at a time when as he says the horse is out of the gate. I do not know who let it out or who put it in. Certainly, if you are asked to operate as a bank with 66% of contaminated loans and 75% of the loans that were made prior to 1986 not functioning, then, you have a problem. It is not a problem that you created but one that we are working assiduously to correct. That is in regard to his swipe at the Barbados Development Bank.

He also indicated about coincidence in...

SENATOR T. E. BARKER: On a point of order. The Member said I took a swipe at the Barbados Development Bank. I made no such thing. I just commented on its inability to perform efficiently and effectively. I do not swipe at things. I wish that he would withdraw that word.

Mr. PRESIDENT: I accept, Senator Barker, that the language could be modified.

SENATOR T. C. BECKLES: Mr. President, we are a cricketing country and all of us know what we are talking about when a batsman goes out and makes a swipe. It is not a derogatory statement in the context of Barbados.

Mr. PRESIDENT: While we are a cricketing country I would prefer a different choice of language.

SENATOR T. C. BECKLES: If that offends the Senator, I am prepared to say that he played some deliberate cuts. I apologise.

Mr. PRESIDENT: All right. Thank you. Proceed.

SENATOR T. C. BECKLES: The Senator spoke about confidence and growth in the economy, but I am sure that the Senator is aware of the factors that build confidence in any economic system. An economy is about persons and in any society we have some persons who are bulls, stags and bears. Some are aggressive; some who wait around and some who are very reticent. We know that when an economy is contracting the bulls tend to pull in their horns. I am putting it to you, Mr. President, that this could be the case in Barbados today given the same statistics from which the Senator quoted and said there is excess liquidity in the system. But the private sector is not taking up that liquidity and using it as investment to keep the economy going.

SENATOR T. E. BARKER: Sir, I never said there is liquidity in the banking system. I said there is \$10 million in excess reserves. I do not know that as excess liquidity.

SENATOR T. C. BECKLES: Mr. President, I think that Senator Barker has demonstrated beyond any shadow of a doubt the extent to which he is prepared to go in the misuse of economic logic to make a point. Therefore, I think all of us who have studied economics in the conventional way would associate what he called excess reserves with excess liquidity. He has a different approach and I could only sympathise or empathise with him. 5.15 p.m.

The point is that in the system there is liquidity and the private sector is not taking it up. There must therefore be a problem since we know because we are privatising that the whole world is indicating they want smaller Governments, with Governments doing less, buying less and providing less goods. The private sector which depended over the last 20 years on and was driven by Government expenditure now finds that it has to rethink its position. We have the same humans that were very capable and able of using the system as it was before. Those people are rethinking and it takes time. Hence the sort of dislocation we now have. People may call it a crisis. It may be a small economic crisis. It is caused by a culmination of things. A confluence of things have brought it about.

I find it difficult when people who are analysts apportion these things to one period, or one person, or one thing. There are too many factors that have caused this situation we are in. I think the best thing for us to do is to use our knowledge and experience of economics, certainly of politics, and of sociology to come together and try to get ourselves out of this rather than using the contraction. Anytime an economy is contracting, then the persons who are the decision makers become unpopular. Anybody can fuel the situation against them.

Senator Barker made reference in his speech to crowding out. Again, we have to analyse the economic dynamics of Barbados. Senator Barker should have known that up until probably this year we were hearing business people indicating that it was more efficient to operate businesses on loans than on equity. Once you had this model, and most businessmen were making their decisions based on this, that it was easier and better to use loans rather than equity and you had, of course, the disequilibrium between the loans and equity in the system. Once the tap that provided the loans is cut, then it is going to take businessmen some time to reorganise themselves.

I would indicate to you that if you look carefully at the Barbados situation you could see these sort of factors at play, if you want to look at it objectively rather than just trying to throw up your hands and blame someone. There is no particular person to blame. It is the way we were going. We have to change the direction because of external or extraneous factors and, of course, this leads to some problems. Credit in the world grew by any amount in the last 20 years up until a year or so ago. Now credit has

dried up. Businesses are more and more forced to rely on equity financing. Governments, of course, have little or no say in that.

Finally, Mr. President, we are in a position where not only in Barbados but economies the world over, are scaling down. You just have to listen. I think this morning I heard Ford of England is sending home certainly more people than the Barbados Government would send home. I do not think anyone would be so presumptuous to say that it is bad management at Ford. I think it has been a very successful operation. What I know is that the persons at Ford recognise what they have to do. They recognise they were operating in a system in which they themselves were subsidising efficiencies which, in my view, is similar to what is happening in Barbados because things were going quite nicely. It was quite the accepted thing for the private sector, and in some instances the Government, certainly to keep more fat than it probably should. This is at the crux of our problem. The point is, can we go into the 21st Century with businesses that are any other than very efficient? I think when we start addressing this question, we are going to see those statistics making sense, not just the static aspect but the dynamics of them. For any business to succeed from now on the indications are that it has to be efficient.

On the one hand we have the Senator indicating that the Government was borrowing and crowding out. On the other hand we could imply from what he was saying that the Government's action because it reduced the scale of demand in the system, was causing some problems for our manufacturing sector.

In conclusion, Mr. President, whereas we can from any set of statistics available to us show a static picture of a Barbados in which the economy is in decline, no problem with that, I think it is very important for us to look behind the statistics, get behind the smoke screen of the figures and start analysing them to see where we as a people are affected and what we can do to make sure that our people, the 265 000 of us living on this little 166 square mile rock, can minimise at this time the impact on ourselves. Until such time as we reorganise our thoughts to cope with what is going on in a world that has changed, certainly more rapidly than most of us expected it to change and in particular in the way from Government financing development in developing countries to our Government underwriting deficits for finance in developing countries and, because of concessionary loans, to one in which the private sector in particular must produce goods as efficiently as anywhere else in order to earn a way of life... This is our problem.

The solution, certainly, does not lie in any one of us being able to identify any particular period or any set of statistics and putting blame on any person because if you even take those statistics that are given there and put in the

appropriate economic lags for time, many people whom I have spoken with, very good economists, are of the view that these things cannot be apportioned to any particular set of things that happened in the last year or 2. This is really true. We are doing better than a lot of people. Therefore we are not saying that we have a perfect Barbados.
5.25 p.m.

But certainly we are sufficiently in control of our system to make sure it is not going to collapse. Therefore these measures which Senator Clarke in his opening remarks indicated would give the Minister of Finance a wider repertoire of measures to use in order to keep the economy in the direction and on course. I therefore have no problems at all in supporting this motion, Sir.

Mr. PRESIDENT: Senator Mottley.

SENATOR Miss M. A. MOTTLEY: Sir, I rise to offer some comments because there is a song that comes to mind, during the course of this debate and, indeed, listening to the course of the debate in the Other Place on this amendment, Sir, that is before. That song is "Strange Things Are Happening". Some 18 months ago when the discussion arose, for the first time I believe in June of 1991, that it was likely that we would have to enter some kind of accommodation or arrangement with the IMF, all sorts of things were said to us. We were told about a sharp and bitter medicine for 18 months and let us just try and cut and contrive for that period so that things would be better for us all at the end thereof. Despite the protestation of many people, there were those who, in good conscience, took the word of this Government, yet again, that if they were given the chance to do certain things over the 18 months that all would be well or that, at least, we would have stabilised and would be embarking upon a period of growth. Those were the words, Sir.

Some people – because a lot still remain protestors – having been badly burnt, having taken the Government's word prior to January 1991 and in January 1991, but said they were there; give them the chance. And now as we get near the end of a tunnel, to use the metaphor used by the Prime Minister, rather than seeing a light or rays of hope the legislation that is before us now and others on the Order Paper to come and ones to come which are not on the Order Paper yet all indicate and substantiate the view by those who believe that when the Prime Minister spoke of the light at the end of the tunnel, he referred to nothing more than an oncoming train.

The admission by the silence of the Prime Minister in this debate in the Other Place – I would not go as far as the NATION newspaper today which described and condemned that stoic silence, I would not describe it as silence – from my own view being present at the debate as I was, Sir, I would more describe it or his behaviour as similar to that of an Arctic river frozen at the

mouth, allowing the Minister of State for Finance to go on the Altar like a lamb to the slaughter confusing Christmas with Easter, believing that rather than celebrating at this time of the year he should send the Honourable Minister of State for Finance to his Crucifixion at the hands not only of the Opposition and the backbencher, Mr. Harold Blackman but also at the hands of the public of Barbados for the lame or the bearing of the truth...

Certain remarks made by SENATOR Miss M. A. MOTTLEY were ordered, by Mr. PRESIDENT, to be struck from the record.

SENATOR Miss M. A. MOTTLEY: Sir, as I said earlier I am not going to be part and parcel of any attempt to cloud the people of this country as to what is going on with Government's finances in this country. When the Estimates were laid in this Parliament in March of this year, I got up in here and I laid claim to the fact that Government was exercising itself...

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I cannot believe what I am seeing, that a Member has been asked to withdraw a statement, uses hyperbole and trickery to try and manoeuvre herself out of a situation and continues to speak in this Chamber. I do not know how I can be associated with that.

Mr. PRESIDENT: Senator Lewis I have instructed that the offending words be struck from the record of this Chamber.

SENATOR Miss M. A. MOTTLEY: Sir, when the Estimates were laid in this Parliament in March of this year, when the projections for Government's revenue as it related to Customs, import duties and all of that remained at the same levels as they had remained the year before, despite the fact of an already contracting economy and, Sir, we got up in here and I certainly and I believe Senator Barker as well referred and pointed out that that exercise in the Estimates became nothing more than an exercise in futility because it bore no direct correlation to reality given the contraction in the economy over the 2 previous years of 1990 and 1991, we were accused of being prophets of doom and gloom; we were accused of misleading the Chamber; we were accused of all types of things.

5.35 p.m.

Sir, 9 months later the Government has had to come back to the Parliament of this country with an amendment to the Loans Act. Similarly raising money through Treasury Bills to substantiate, Sir, the fact that it has had a shortfall in revenue; revenue projected that has never come in, by some \$81 million. What is even more curious and paradoxical to me, Sir, is that there obviously seems to be some division between the Honourable Senator Clarke and the Honourable Minister of Finance, Mr. Thompson because the Honourable Minister of State in the Ministry of

Finance clearly admitted that one of the primary reasons for this legislation coming before Parliament, was as a result of that shortfall in revenue. What is more, Sir, the Honourable Minister of State in the Ministry of Finance also admitted that there has had to be during the course of the 9 months of this financial year, contractions in Government expenditure as a result of that shortfall in revenue. What he did not go on to say and what my colleague, Senator Barker, clearly pointed out was the curious irony of the IMF test at the end of this month, was also the thought that what we saw in the letter dated October 25, 1991 to Mr. Michael Camdessus from the Prime Minister and the former Governor of the Central Bank for the second review that should have taken place on November 15 and a number of things that were outlined in this Letter of Intent to have been completed by now have not yet been done.

Sir, I can only but ask the question yet again, and ask and hope for an honest reply so that the citizens of this country, before it is too late and they spend out a lot of the money that they have at Christmas time, know whether – particularly those in the public service – they have any realistic chance of getting back any 8 per cent that was taken from them, as was promised to be given back to them at the end of the 18-months period and for them to ask whether there is any chance that due to the fact that a number of things that should have been put in place by now, the Government in this letter of October 25, 1991 promised that by January 1992 a number of reforms of the direct taxation would have been completed. We know how many months later it took to complete those. We know similarly that they have not even started with the indirect taxation yet. We know similarly that there is quibbling over what is to happen over certain state enterprises still that they said would have been well near off the hands of Government by this time.

The question begs itself, Sir, that given the non-performance of a number of things that Government set out to do, as is evidenced by the Letter of Intent of October 25, 1991, is it a likelihood that we will see ourselves following Jamaica and Guyana and a number of other Third World Countries and be in the quandary that while one may pass an IMF test one remains within the hands of the IMF for a considerably long time – Jamaica in excess of 14 years. Jamaica passes IMF tests but yet they are still in the hands of the IMF. It may fail some too but they pass a lot too. Therefore, Sir, the public of this country must be warned that all of this talk about passing an IMF test and beating its chest when they pass it and rushing at the last minute each time to do something in order to pass it, as has happened on each occasion that Government has had to face an IMF test in this country, whether it was selling off the family silver before or now rushing to get this Loans Act and \$100 million under the Loans Act and \$100 million under the Treasury Bills that that does not mean one single thing. That does not

guarantee that the civil servants in this country are going to get back their 8 per cent at the end of March.

I do not want to anticipate the Government and that is why I have asked the question and I hope, Sir, that unlike ...

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I think the law is clear that on March 31 the 8 per cent comes to an end.

SENATOR Miss M. A. MOTTLEY: Sir, I believe that the law is clear on the Ways and Means of the Government's overdraft limit with the Central Bank too, but that has not stopped this Government from breaching the law for the last year and has not stopped this Government from being in a position today where the Ways and Means Account is roughly \$70 million over the limit. But, Sir, I would hope, and I am asking Senator Clarke is that is a guarantee from his Government that the civil servants will not have to face another pay cut for any period of time subsequent to March 31, 1992? If he is so bold as to make the statement he has just made, I ask him to assuage my doubts, to calm me, and to let me know whether that is a commitment on the part of his Government. Because I know, Sir, that Senator Clarke cannot make that commitment. He cannot make that commitment in this Chamber today. He cannot make it and stick to it. He can make it. He cannot make it and stick to it.

The point goes even further than that, Sir. We were told that this programme was to stabilise the economy, Sir. Look at the economy: tourism was in decline; manufacturing was in decline and still is; agriculture is in decline. What part of the economy has it stabilised, other than the fact that the Prime Minister is still the Minister of Finance? Where has the stabilisation process come in the economy? Where has the structural adjustment that we have heard so much started to come in this economy, other than to take the Tourist Board and call it a Tourism and Travel Authority? Where have the recommendations for the Report that was done on tourism been implemented? Sir, this amendment to this Act before us signals trouble, economically for us yet again. We are finding ourselves entering a centrifugal force of depression. One that keeps spinning and spinning and spinning and we are going to have difficulty to descend from it. Why? Because at the end of the day, Sir, when all the platitudinal statements have been made on the part of Government the productive sectors of this country have not earned any more and loan after loan after loan coming before us can make everything look pretty but if we are not earning we remain within the centrifugal force of depression. That combined, Sir, with the remaining absence of confidence

Senator Beckles, Sir, spoke glowingly about how people need to have confidence in persons and that absence of confidence remaining still as it does still in the Minister of Finance who is not satisfied to have one other Minister with him, Sir, but now has 2. Hence the triplication of revenue for ministerial purposes in that Ministry, not even a duplication.

5.45 p.m.

SENATOR THE HON. L. V. H. LEWIS: That is absurdly incorrect.

SENATOR Miss M. A. MOTTLEY: Sir, given those facts, it is difficult to understand how the Central Bank can continue to tell us, up to as recent as three weeks ago, that things are getting better. We cannot continue to cloud the issues of our economic situation as it relates to the right of the citizens of this country to know what it is they have committed themselves to and what it is they will find themselves being committed to, particularly at a time of year like this, particularly when there are promises of recovery or stabilisation. But as soon as 90 days into the new year, and when all of us in here who take the time to look behind what is said in Parliament, when we take the time to look at the document itself, when we take the time to look and see what Government committed itself to originally, when we take the time to ask why it is we have not yet had the further draw downs under this standby arrangement, when we take the time to ask why it is that all of the assistance which was promised, which we are supposed to be getting from the international financial institutions, is still not forthcoming. I am not talking about the sewerage project which was negotiated so many years ago, as the Prime Minister found it necessary to respond outside of Parliament, when he was there and could have responded in full presence to the man who made the accusations.

When we look at all of those things, it bears signs of trouble in relation to our economy, and those of us who wish to perpetuate that clouding of the people of this country, so be it. I am not participating in it, because it is no longer funny. When you look at the statistics for unemployment in October 1992, which still do not go beyond the second quarter and which still do not reflect the 25% where it is now, the fact that unemployment is hovering just above 25% in Barbados, if you look at those figures up to the end of the second quarter of 1992 in the Central Bank's Statistics for 1992, the economic report, for the first time in this country's history we have seen 100% in unemployment among men in this country. We have seen unemployment among men in this country rise by over 100% between January 1991, from the figure of 10% to 19.2%.

Mr. PRESIDENT: Senator Mottley, you have read those figures. What is the source of your information that it is 25% or hovering above 25%?

SENATOR Miss M. A. MOTTLEY: No, Sir. If Your Honour heard me, Your Honour would have heard that I said those which they would not publish.

Mr. PRESIDENT: I heard that. But I am asking you the source of your information.

SENATOR Miss M. A. MOTTLEY: The basis of my information is a survey we did in Bush Hall. Unemployment there is about 40%.

Mr. PRESIDENT: What did you say is the source of your information, Senator Mottley?

SENATOR Miss M. A. MOTTLEY: In Bush Hall, Sir. Among the 2 500 people registered there, over 1 500 are out of jobs. Nationally, I go back to the point. They cannot hide from these figures. There has been an almost 100% increase in male unemployment in this country in the last year since January 1991, according to the figures published by the Central Bank, and among male unemployment a correspondingly high increase in the crime rate in this country and yet we do not seem to understand that all the emotional hyperbole about what we are going to do to fight crime, that at the end of the day until we can get unemployment, particularly among males, who are the ones most frequently charged in this country with criminal offences, down, and until we start to spend some of the money which is coming in under the training levy and other sources on training and retraining, that crime rate will not drop. That is a fact of life, and the figures now are here to support that in large measure, because at the end of the day a man who has no income coming in will do things that he might not otherwise have done.

I am saying to you, Sir, that I cannot be part of clouding the facts about any economic situation in this country, because these are some of the results that clouding has led to. It is no longer a matter of "my belly being full in here," or "come dog, have a few crumbs, the other dog will get no crumbs," or as Senator Beckles tried to say: "We are doing a little better, we could be a little worse," by comparison to the world scene. It does not work that way any more, because at the end of the day we are seeing the human faces of the contraction of our economy. We are seeing it in the rise in the criminal statistics; we are seeing it in the rise in prostitution; we are seeing it in the rise in protein malnutrition in this country, which is something we have not seen for years; we are seeing that human face, Sir.

Mr. PRESIDENT: Senator Mottley, you have two more minutes.

SENATOR Miss M. A. MOTTLEY: With pleasure, Sir. I say that in the same way the people of this country have been slapped in the face over and over and over by people begging them to give them another chance, asking them to put their shoulders to the wheel, to cut and

contrive just these 18 months, these facts and this legislation before us is indicative of troubled times in the economy to come early next year. I am saying I find it hard to believe that those of us in here who really have a conscience can continue to support the continual clouding of facts to the people of this country, can continue to support the fact that the human face of our economic contraction is showing itself in an ugly way and in a way that is going to be most difficult for us to heal, and even if we heal, to rid ourselves of the scars of that contraction in the economy, all because of our inability to come fair to the people of this country.

We knew that what the Prime Minister sought to do in 18 months could not have been done in 18 months. We knew that when he tried to reduce the fiscal deficit so drastically to 1%, that it was going to send this economy into a tailspin, but he has done it; the economy has gone into a tailspin; unemployment has increased significantly, and what does he do? Sits down in Parliament while the Minister of State goes like a lamb to the altar to be slaughtered.
5.55 p.m.

Mr. PRESIDENT: Your time has expired, Senator.

SENATOR Miss M. A. MOTTLEY: ... and he remains like the Arctic river frozen at the mouth.

SENATOR Dr. F. W. ALLEYNE: Mr. President, this Bill is to increase the ceiling of the Local Loans Act. I think Senator Barker skilfully succeeded in shifting the debate from the critical issue. I take no comfort in observing that Senator Barker's presentation was punctuated by wrong concepts, wrong inferences and wrongheaded policy advice. I will proceed to demonstrate this.

I also must observe at the outset that Senator Mottley's presentation was noted more for bombast and emotion than for content. I detect a tendency and a growing one to import into this Chamber aspects of unsavoury conduct perpetrated by some Members in The Other Place and I deprecate it in the strongest language.

This debate is taking place against the deepest recession in the world in the last 50 years.

SENATOR Miss M. A. MOTTLEY: On a point of privilege, Sir. I appeal to the Chair for the even-handed protection that I have been promised upon entering this Chamber.

Mr. PRESIDENT: I do not know what she is talking about.

SENATOR Miss M. A. MOTTLEY: On a point of privilege, have I received an answer to that? Is it being declined or is it being accorded to me? The Honourable

Senator talked about unsavoury conduct on the part of Members in this Chamber and that comment came immediately after he immediately named myself and Senator Barker. It would suffice if he excludes us from that comment, but in the event of his not excluding us from that comment, I am appealing to the Chair for the even-handed protection that I was promised upon taking the oath to enter this Chamber.

If that protection is not going to be accorded me, Sir, I would appreciate being informed of that. At the very least I would appreciate a response.

Mr. PRESIDENT: Senator Mottley, I am not even aware of what you are talking about. I repeat I do not recall anything which could really reflect in an unsavoury manner about you.

SENATOR Miss M. A. MOTTLEY: Sir, if Your Honour does not recall perhaps I can help Your Honour recall. If my recollection is not sufficient, I would ask Your Honour to have the record read.

Mr. PRESIDENT: The Chair moves that there is nothing offensive. I heard nothing offensive.

SENATOR Miss M. A. MOTTLEY: Sir, having said you do not know what I am talking about, you have now ruled that there is nothing offensive.

Mr. PRESIDENT: Nothing offensive that I know about. The Chair rules that there is nothing offensive that I am aware of.

SENATOR Miss M. A. MOTTLEY: Therefore, Sir, as is my right, I will ask that at some point a copy of the record referring to those last comments be delivered to me. If necessary, as is my right, Sir, to bring a matter before the Committee of Privileges that I do so. I am asking the Chair therefore to order that a copy of the record of Senator Alleyne's last remarks be delivered so that I may determine whether I am within my rights to bring a matter before the Committee of Privileges.

Mr. PRESIDENT: I shall do no such thing, Senator Mottley.

SENATOR Miss M. A. MOTTLEY: Is Your Honour stating that I am not entitled to have a copy of the record to bring a matter before the Committee of Privileges? Is that Your Honour's ruling?

Mr. PRESIDENT: It is my ruling.

SENATOR Miss M. A. MOTTLEY: Fine, Sir.

SENATOR Dr. F. W. ALLEYNE: Mr. President, this debate is taking place at a time when for the first time in

50 years the world is experiencing the deepest recession we have ever known. It is deeper than the recession of the 1930's because in the 1930's what we had to do in the heavily industrialised countries was to deflate those economies. Today we cannot. Whether the United States of America, Canada, Germany, the United Kingdom, Australia and New Zealand, you cannot correct the problem of economic recession by deflation. Even Japan is going into difficulty. The recession today is different from that of the 1930's and is far more complex.

To understand what is happening in Barbados we have to appreciate what is happening in the international economy. I began by saying that Senator Barker skilfully – and I put that particular construction on it – maneuvered the debate away from the central issue addressed in this Bill. What is the central issue? Is Government borrowing bad *per se*? That is the central issue. Put another way. Can Government use the resources which it gets hold of more effectively than the private sector can use them? That is the critical question which this Bill causes us to debate. It has not been addressed, neither by Senator Barker nor Senator Mottley.

Asides.

Mr. PRESIDENT: Senators Barker and Mottley, you will refrain from those asides. I repeat, Senator Mottley, I will not have any rude remarks from you.

You may continue, Senator Alleyne.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I want to submit that there is nothing intrinsically wrong with Government borrowing, as some would seem to suggest. The critical thing is the efficiency of that borrowing. Senator Clarke was correct when he made the point about the relationship between Government borrowing and the performance of the private sector in this economy. If there is a significant withdrawal from the economy, the private sector goes through that kind of contraction. We are talking about the Barbadian economy. We are not talking in a vacuum.

I want to submit on this particular question of the Bill that I believe we have had enough experiences in Barbados and we have seen enough in the Caribbean to put us on notice that every effort has to be made to reform Government expenditure and precisely the procedures for approval of expenditure with respect to monitoring and evaluation of Government projects. Empty talk will get us nowhere and it is a waste of time taking potshots at Government. Whichever party is in office has to address those issues. Much of the debate was spent on taking shots at the credibility of the Minister of Finance. He can defend himself. Since I am part of the Government I have to

address those issues. Both Senator Barker and Senator Mottley questioned whether the stabilisation programme was effective and sought to suggest otherwise.

Mr. President, the evidence can be found in this document published by the Central Bank of Barbados Economic and Financial Statistics, October 1992. I turn to page 54 and I do the corresponding comparisons for time periods beginning with the period April to June. That is the 1st quarter of the fiscal year, 1991. I compare it with the 1st quarter for 1992-93. What I find in the 1st quarter of 1991-92 there is a net deficit of \$41 million. In the first quarter of 1991/92 there is a net deficit of \$41 million. In the first quarter of 1992/93 there is a net deficit of \$7 million. What that reflects is...

6.05 p.m.

Aside.

SENATOR Dr. F. W. ALLEYNE: Thank you, Mr. President. What I find in the first quarter is a surplus of \$8 million. Yet, Senator Barker is saying the internal finances have not shown any turn around.

I turn to page 65 of the same document. If you look at the table - International Reserves - notice the series starting from January, 1991, that 12-month period, and let us take the period from January to August and compare and see what has happened there. In August of this year total international reserves stood at \$243.3 million. August last year they stood at \$70.9 million.

SENATOR T. E. BARKER: Sir, on a point of elucidation.

Asides.

SENATOR T. E. BARKER: Sir, I just want to point out to the Honourable Senator that his figures are not disputing my point because the increase in the international reserves is primarily a result of Government's borrowing and selling the family silver.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I hope you will restore the time to me which I have lost. I really would like to be able to speak a full night on this debate.

When I turn to July of 1991, the international reserves figure was just \$106.5 million. The corresponding figure this year is \$255.8 million. I could go on but it is no point wasting the Senate's time because the series suggest the same thing, that is, that the availability of foreign exchange to Barbados has increased substantially in 1992. We are talking about a stabilisation programme. A stabilisation programme must have very clear goals. A stabilisation programme is essentially a short-term programme. The fundamental goal of a stabilisation programme is to stop

the hemorrhage in the foreign exchange reserves. The second thing it has to do is to reverse the deterioration...

Mr. PRESIDENT: Order. I will not have this cross talk. Please proceed, Senator Alleyne.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I repeat. A stabilisation programme must have very clear goals. The 2 most important goals have to do with checking the hemorrhages in the foreign exchange reserves and certainly, in 1989, 1990 and 1991 we lost almost \$300 million in foreign exchange reserves. That has not happened in 1992. To that extent that goal has been achieved.

The second goal is a reversal of the deterioration in the internal finances. That has been achieved. I submit, Mr. President, that if you are going to pursue any analysis on an irrational basis, performance has to be linked to goals. That is how you have to assess it. The evidence will show that the Government's stabilisation programme has been affected. When the Governor of the Central Bank made that statement he was standing on strong, professional grounds.

Senator Barker made the point that the sharp reduction in the fiscal deficit which was advocated by the IMF was wrong and that it put the economy into further decline. But in another breath Senator Barker said that the non-tradeable sectors dominated the expansion of the economy and they cannot function unless the foreign exchange is available. You cannot have it both ways. If the foreign exchange is not available, the non-tradeable sectors cannot expand. But yet Senator Barker will say because the Government pulled back, the economy is in chaos. You cannot have it both ways. The evidence will show that Senator Beckles is absolutely correct.

The trends in this economy did not start yesterday. They started a long time ago and I am going to point to it. Let us turn, using the same document, to page 63. This is the one which is being used very often. It deals with the national debt of Barbados. In December, 1976 the foreign component of the national debt was Bds. \$50.2 million. By 1986 it had increased by almost 1 100% to \$553.5 million. This is the evidence here. By August 1992 it stood at \$716.2 million.

I draw attention to this observation to point out that during the period 1976-1986 growth in this economy was fueled by foreign borrowing, not by foreign earnings. But any Government reaches a point in time where the upper limits of borrowing could have been achieved. The reason why the administration between 1976 and 1986 was able to borrow on the foreign markets outside like that had to do with the success of the previous administration. In fact, the Sandiford administration today has to deal with the problems created by foreign borrowing to support consumption during that period 1976 to 1986.

SENATOR T. E. BARKER: The Honourable Member...

Certain remarks made by SENATOR T. E. BARKER were ordered by Mr. PRESIDENT to be expunged from the records.

6.15 p.m.

SENATOR Dr. F. W. ALLEYNE: Mr. President, again Senator Barker attempted to ridicule the competence of the Minister of Finance by pointing to the rise in the Treasury Bill rate. What is the evidence? I am using the same document and I am at page 50. In June of 1991 the Treasury Bill rate was 8.98%. What was the corresponding rate in Guyana? 30.83%, in Jamaica 15.24% and in Trinidad 7.25%. The relevance is that these are economies which are similarly placed, faced with similar circumstances.

Senator Barker criticizes the rise in the Treasury Bill rate in Barbados. The Treasury Bill rate reached a maximum in May of 1992 of...

SENATOR T. E. BARKER: Mr. President...

Mr. PRESIDENT: Yes.

SENATOR T. E. BARKER: I never criticized the Treasury Bill rate. I just said that as a matter of Government policy the rates increased.

Mr. PRESIDENT: That is not a point of order.

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

Mr. PRESIDENT: I repeat that is not a point of order.

SENATOR T. E. BARKER: I did not criticize the rate. All I said was that as a consequence of Government's finance the rate went up.

Mr. PRESIDENT: Senator Barker, you will take your seat. That is not a point of order.

SENATOR T. E. BARKER: So he could...

Mr. PRESIDENT: I repeat that that is not a point of order.

SENATOR T. E. BARKER: Anybody could...

Mr. PRESIDENT: Senator Barker, I do not wish to have to speak to you again in this regard. Senator Alleyne.

SENATOR Dr. F. W. ALLEYNE: Mr. President, the impression was conveyed that the Government's fiscal policies are wrong-headed and one of the areas which was

chosen to demonstrate it was Government's handling of the Treasury Bill rate. That is the only point which I seek to clarify.

The maximum rate in that time period was at April of 1992 when it was 13.86%. The corresponding rate in Guyana, at that time, was 27.85% and in Jamaica, it was 40.88%.

Aside.

SENATOR Dr. F. W. ALLEYNE: It is relevant, Mr. President, because we do not live in a world by ourselves.

Mr. PRESIDENT: Senator Barker.

SENATOR T. E. BARKER: On a point of order. I just want to point out to the Honourable Senator that in 1989 the Treasury Bill rate in Barbados was 5.82% and in Guyana...

Mr. PRESIDENT: No, no, no. Senator Barker you may not interrupt somebody to speak on a point of order. Let us continue.

SENATOR Dr. F. W. ALLEYNE: Mr. President, apparently the Senator is difficult of understanding. The simple point which I am making is that as economies come under siege this is one of the things which happens. Notice that in the case of Barbados there is a reversal in the Treasury Bill rate. In August it was 10.62% and my latest information is that it is a point or two lower than this. That is all I am seeking to demonstrate. I am not seeking to score any points on anybody. I just wanted to set the record straight on these matters.

Much talk was made of this concept of crowding out both by Senator Mottley and Senator Barker. They do not understand it. Quite simply what is crowding out in the whole business of banking? If a loan to A precludes B from having access to finance that is crowding out. Mr. President, the evidence is here. If we turn to page 33 given my definition which is the accepted definition of crowding out in economics, given the fact that there are excess reserves in the system - I am going to come to another point on these excess reserves - there could never have been crowding out. What is worse, and I hate to make the point in this way, Senator Barker should never have made the point that there is only \$10.7 million in excess reserves and you cannot lend out more than that.

We live and we operate in an economic banking system of reserve banking. So that if you have \$10.7 million in reserves that can support as much as \$70 million or \$80 million in new loans. Senator Barker must know that. I will excuse a layman if he says that. But I will not excuse Senator Barker on that. I will excuse Senator Mottley.

This allegation about Government going in and taking up all of the liquidity and using statistics – you can lie with statistics because Government paper is now tradeable on the securities exchange. Never mind the commercial banks have excess holdings of \$86.977 million in Government paper, if it is profitable for them, they can offload that paper on the securities exchange and Government has to redeem it. Let us understand these things. Do not get in here and try to mislead people.

Senator Barker made the comment about when the Central Bank gets a strong leader to tell the Minister of Finance this and the Minister of Finance that. The authority of the Governor of the Central Bank is enshrined in the Central Bank Act of Barbados. The Central Bank Governor has authority. He does not have power. The only people in this country who have political power is the Cabinet of Barbados. Nobody else. The Governor acts within the authority given to him.

Mr. President, I would strongly suggest to this Chamber that we desist from drawing the Governor of the Central Bank and the officers of the Central Bank into partisan political debates. It does not uplift the Bank.

Aside.

Mr. PRESIDENT: Senator Barker, you will stop doing that. That babbling is not acceptable conduct in this Honourable Chamber.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I am very serious when I make this plea. I believe that, in the interest of Barbados, all of us should desist from drawing the Governor of the Central Bank and his staff into partisan, political debate because, given the conditions under which they hold appointment, they cannot reply to us. I feel we should give them that courtesy. I have nothing but great admiration for the present Governor. He is a first class professional and a decent man.

Senator Barker also spoke too about this alleged anti-export bias in the Barbadian economy and said that the Government used this to clamp taxation on the manufacturing sector. Mr. President, I have spent a little time trying to understand these issues. There is, in our economy, a definite bias against exports. The level of real wages in Barbados are about 4 or 5 times comparative with the wages in Jamaica and much more than in Guyana. They are much higher than in Trinidad and Tobago which means that we can hardly compete in that CARICOM market unless our productivity is correspondingly higher, and it is not. That is an incontrovertible fact. Let us not get in here and skylark and fool on these things. We are not competitive as an economy. That is a fact. We are not competitive in manufacturing. Our tourism is not competitive either, nor is our agriculture. If our tourism is

competitive how do you explain the relative rates of performance with respect to locations similar to Barbados?

I have no doubt, Mr. President, that the Government in its structural adjustment programme is moving on the correct road to improve competitiveness in this economy. Let us leave out scoring cheap political points. If you are not competitive there are two things you have to do, in the short-term: you can do an arbitrary cost reduction, as Government has done in the Public Service, and I gather some people in the private sector have done; and you assume that with the cost reduction, productivity will not decline, but in the long-term the issue which you have to address is improving productivity and that is a long-term thing.

6.25 p.m.

I have nothing but sympathy for any Minister of Finance at this time, whether it is a Labour Party Government or this Government. The reason I have nothing but sympathy for any person holding that position is the difficulties which they have to grapple with. Any Minister of Finance in Barbados, at this time, is placed on the horns of a dilemma. Senators Mottley and Barker in speaking about public service pay are speaking about Government's revenue and not recognising that it is the economy that generates that revenue. How can you, one day say the economy is contracting and yet at the same time, in another breath, suggest that Government's public service pay bill should be increased.

They are difficult issues and I will go further, Mr. President. A Government which is only concerned with increasing the pay of those who have jobs is an insensitive Government. Government has to be more concerned with creating opportunities, for those who do not have jobs to find jobs than those who are in jobs and already receiving income. Any Government which has a social conscience, rather than concentrate on raising wages for those who are in jobs would create the conditions to provide productive work for those who are out of jobs. And bear in mind that if this Government pursues a policy of increasing wages for those who are in jobs it is making it difficult for the private sector to find its feet again. These are issues, not for the simple minded, but we have to grapple with them and we have got to avoid cheap politics on them.

Senator Barker spoke in his submissions indicating that the growth in this economy came primarily from the non-tradeable sectors. I agree with him, but it did not begin yesterday. Mr. President, I turn to the Economic Report 1991 prepared by the Ministry of Finance and Economic Affairs, March 1992.

The major non-tradeable sectors are construction, wholesale and retail and Government. Now, in 1976, the value of construction in GDP, that is, the total value of goods and services produced was \$65.6 million. Ten years

later that figure had increased by just over 200 per cent. I am just indicating a growth pattern.

We turn to wholesale and retail trade. Between 1976 and 1986 that value had increased by almost 300 per cent. I turn to Government in GDP, between 1976 and 1986 this figure had increased by about 250 per cent. I make the point to say this to underline a point I made earlier, that these are trends which we are seeing today and the simple-minded and partisan are saying "Sandie, Sandie". These trends were there a long time ago, Mr. President. It so happens that whoever is in Government today will have to deal with these trends and these difficulties.

Senator Mottley raised the question, how can the Central Bank continue to say to the public that things are getting better? I have demonstrated how and where the stabilisation programme is working. If you compare the experiences of Barbados, Jamaica, Trinidad and Tobago and Guyana you will see, if you are unbiased, that the fortunes of Barbados with respect to stabilisation are vastly superior to the other three larger countries in the CARICOM. There is a Dr. Carl Theodore, a tenured senior lecturer in Economics at the University of the West Indies in Trinidad. He was addressing a Symposium a couple of weeks ago in Barbados at the Labour College and one of the remarks he had to make to the audience assembled was that the rest of the Caribbean was unfortunate compared to Barbados because Barbados was able to articulate a strong position to the international institutions and that is why Barbados was able to come out with a programme with a fixed exchange rate. Why is it foreigners can give us the praise which we rightly deserve and here in our midst they tear us down? You are not tearing down Sandiford; you are not tearing down Frank Alleyne; you are not tearing down the Democratic Labour Party; you are tearing down Barbados. Remember, Mr. President, I have heard the old people say, be careful when you spit in the soup, you have to turn around and drink the same soup.

Senator Mottley made an observation about mounting unemployment and crime. Mr. President, as I understand it, the relationship between crime and unemployment is not that simple. It is a very complex relationship. Crime is an industry in itself. If there was that very strong, positive relationship between the growth of unemployment and the growth of crime, how would you explain the existence of serious crime in Japan? How would you explain the serious crime in West Germany before the unification? I am saying the evidence suggests and the sociologists are better trained to deal with it than I am, that as an economy becomes more affluent, people's values change and the more affluent the economy becomes the more profitable crime, as an industry, becomes. I am submitting that crime is not a matter of the opting out of unemployment. I would never agree to that.

Mr. President, I had not planned to involve myself in this debate but duty required that I do so. I think it is time, and certainly this is the time of the year, when we, in Barbados, have to make up our minds as a people to put the interest of Barbados first. We cannot afford to have partisan politicking everyday. No country can survive like that. Barbados has had non-stop politicking now for 6 years and it has survived. That has amazed me when I think of the resilience of a little country like Barbados. There are few countries of our size which would not have gone under in that time.

Mr. President, I can only hope that at this season of goodwill, Barbadians would have recognised that we have had enough of tearing down. I believe, right thinking Barbadians are starting to recognise that it is a dead end trying to pin the fault on a man because history will show that the difficulties which have beset this economy over the last 2 years are difficulties which were long in the making back to the mid seventies.

Mr. President, I am much obliged to you, Sir.
6.35 p.m.

SENATOR Mrs. V. C. FRASER: Mr. President, in supporting the Bill, I want to say that I am in total agreement with the positive aspects surrounding the discussion that has gone forward. I, like Senator Alleyne, would like to advocate strongly that as long as we have a position in our country that is affecting all Barbadians, all Barbadians should realise that it belongs to us.

The whole situation of the political confusion about whether or not this person or the other is responsible for something in this country, I think it is time that this is stopped. When we go abroad we hear people asking what is wrong with Barbados; they do not ask what is wrong with a particular individual. The tearing down politics have got to stop. The economy has problems; officers of the Government and the Government are trying their best to do whatever they can, along with the people of Barbados, who are truly nationalistic, to get the economy back on a firm footing. On the other hand, there are some people who seem to feel that the more they tear down and pull down the better it is for Barbados. This is not true. This is a time when we should be stressing the importance of small entrepreneurship, the importance of trying to help people to understand that if you try to help yourself as an individual, you are going to get help from somewhere, because the good God of Heaven will not forget you. This is a time when people should be looking carefully at their personal budgets. This is also a time when people should be looking at how they spend their time and prioritise the things that are necessary. This is a time when Barbadians should seriously be looking at what we import and what we do not need to import in this country. This is a time when Barbadians should be looking at whether or not they should spend foreign exchange to go on the holidays they want to

go on the holidays they want to go on. All of that is foreign exchange going out of this country. It is a time for a serious changing of attitudes of people to the development of a country called Barbados. I do not know about other people, I have nowhere else to live and I do not plan to live anywhere else. It is very interesting that when people try to pull down they can pull down in one day, but it takes a long time to build up.

In terms of the Government borrowing money internally, I feel that is a good thing because other people in the society are going to benefit. If you take out bonds, you are going to benefit from them. Right now I know that there are many people who would like to bring conferences to this country and I sincerely hope that I will see that centre at Sherbourne open, because it is going to prove to a lot of people that it can make money. Any sort of conference facility you have that can hold over 4 000 people can make money in this country. There are many people and many organisations who could not bring their conferences to Barbados because we do not have the facilities. It is a step in the right direction, despite the fact that you are hearing about overspending of money and all sorts of nonsense.

I would like us to sit down and think carefully. As I say, with the IMF, it is pointed to me and my future. Let us look at future. Where do we want to go? Where do we want our children to go? Because Barbados is going through some economic problems at this time, does it mean that all Barbadians should just put their hands in the air and leave Barbados? No! We have to face it in the good times and we have to face it in the lean times, but every Barbadian has to structure his or her own life in order to meet the times. If you have to tighten your belt, you have to tighten your belt.

Mr. PRESIDENT: All right, but, Senator Fraser, just let us keep it relevant, please.

SENATOR Mrs. V. C. FRASER: Mr. President, I always indulge in keeping it relevant. I am referring to the amount of money we are talking about, with all respect to you, Sir. I want to make it very clear that the change of attitudes of Barbadians will bring about change in the economic development, and I want to point out how it will. It will when people understand that they must not fashion their taste to that of other people in other countries. I was very pleased when I saw that no hams would be imported into Barbados this year, because it means that we are getting a message at last, and we need to get several other messages to people. Cut your coat according to the cloth. Budget. It does not matter if you go to the supermarket with a calculating machine. That will help. Every cent we cut from somewhere we will be able to save it and spend it in Barbados. Everything we stop importing that is not necessary will help us to put that money in the economy and it will provide jobs for people.

I foresee that we will have to go back to the thinking of growing things, such as more cassava, where we could set up an industry just as other people are exporting cassava. It is easy to grow, it is not a difficult crop to grow. We should look at the indigenous crops that are easy to grow, for which markets have been established in this country. There should be a large coterie of advisers in this country who have been educated by the people of this country, assisting the Government by telling them about all the different markets that exist and trying to help the Government through this critical path analysis.

This is supposed to be the time when we should have a spirit of goodwill to each other. We need to understand that the Prime Minister cannot do anything alone. He needs the assistance of all Barbadians, especially those persons who are knowledgeable in the varying areas.

Mr. President, money is needed for welfare services. How else can we get money other than by taxation? People are asking for increases in many things in this country, but yet whenever we talk about raising money, or borrowing money, to inject capital into the various systems there is still a big hue and cry. They will tell you on one hand that they cannot get this from the welfare; they will tell you on another hand that welfare has to be stopped in certain areas. But when the Government makes a conscientious effort to get some money in the kitty to do the various things to help the same old people, whose houses would have to be repaired, whose electricity and water bills have to be paid, and to find some money to help the Salvation Army and other institutions that assist in feeding them, they have forgotten that that takes money. All of these things take money, and the more that people ask Government to take off this and take off that, to subsidise this and the other, the more money they will be losing and the less welfare services we will be able to give to people who are truly in need. I am not talking about people who stand on the street corners and are not in need.

6.45 p.m.

We have a number of people in this community who are looking and taking their responsibility seriously. I recall the St. Michael District Hospital used to be in one state. I know this as President of the Friends. If you see that Hospital now, it has been completely transformed. That took money. You have to pay qualified nurses now. There are no longer run-of-the-mill nurses. They are properly trained and qualified with SRN's. They have to be paid.

If you look at the Queen Elizabeth Hospital, the education system, the free university education, all this has to take money and the cost of books are increasing and therefore there is every reason why Government has to continue to look at different sources of raising revenue in this country.

Mr. President, I felt committed to say this because I am a Barbadian. I love my country and I am not a talking Barbadian only. I am a person who goes out there and tries to get funding so that my country can continue to move. I think that many more Barbadians should be trying when they go abroad to see whether the other Barbadians can assist in funding some of the organisations we have here. This would take some of the load off Government's shoulders.

There was a time years ago when many organisations did not depend on Government. It seems fashionable nowadays for a lot of people to sit down and say the Government will do this and that. Those persons like myself and Senator Straughn who have known the struggle that the Council of Day Nurseries and such institutions had in raising their own funds... Today, they have the Child Care Board to look after these places. Everybody seems to think that Government should set up boards and committees when these things take money. Yet on the other hand, when they are called upon or when the Government takes the initiative as a Government must take to raise money in order to keep this little Barbados going they come up with all sorts of "whims and fancies".

Mr. President, I sincerely hope and pray that God will open the eyes of a lot of people in this country and let them see – and perhaps during this time a lot will begin to see and understand – that it takes money to run a country and that your attitude must change and you must assist wherever you can. If you have knowledge, you must pass it on to somebody else especially if you have benefited from the purse of all those poor people out there who pay taxes. This is our country and it can only be what we want it to be as Barbadians.

Let us stop all the bickering. When it comes to national issues, stop making them political issues. There are political issues and national issues that touch the lives of every single Barbadian family. I sincerely hope that Barbadians will begin to look to God again in a very serious manner. I think there has been too much moving away from Sunday School and taking children to Sunday School. We need a little bit more of God in our lives. Then I believe we will understand that those in authority must be respected and we have given them a mandate through the vote and we must help them to make Barbados better.

Mr. PRESIDENT: Senator Fraser!

SENATOR Mrs. V. C. FRASER: I am finishing, Sir.

Mr. PRESIDENT: Thank you.

SENATOR Mrs. V. C. FRASER: ... and we must assist them in helping to lift Barbados up. Thank you, Mr. President.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I am very disappointed in the turn this debate has taken. Before this Honourable Chamber we were discussing the Local Loans (Amendment) Act, 1992. The opportunity was seized to conduct a political campaign surrounding it. There is a time and a place for everything and I do believe that with the intelligence of the Members of this Honourable Chamber the debate before us could be conducted in a civilised and a rational...

SENATOR T. E. BARKER: Mr. President, I led off the debate...

Mr. PRESIDENT: You did not lead the debate. Really.

SENATOR T. E. BARKER: I spoke second in the debate and I may have spoken the longest. I object to the word "civilised". The Honourable Member is hinting that I acted in an uncivilised manner and I take offence at that. He said he wanted the debate to take place in a civilised manner which indicates that it did not take place in a civilised manner. Since I spoke the longest in this debate...

Mr. PRESIDENT: All right. Thank you.

SENATOR THE HON. Dr. C. D. CLARKE: My attempt in summing up was not to offend but rather to educate. If uncivilised is offensive, I shall have it withdrawn. I hope that we would be more civilised in dealing with our debates and with the issues before us.

As it stands, there are certain critical issues, and I think Senator Alleyne addressed them and rebutted most of the questions and concerns raised by Senator Barker. I do think that in future debates we need to get back to the issues before us and debate what is actually before us and not what we would wish would come before us. There is time enough for it. Once a year we have a full dressed rehearsal in terms of the Appropriation Bill.

SENATOR T. E. BARKER: Mr. President, I am sorry to butt in.

Mr. PRESIDENT: Is this a point of order?

SENATOR T. E. BARKER: Yes, Sir.

Mr. PRESIDENT: Let me hear what is the point of order.

SENATOR T. E. BARKER: The Honourable Member has said that we did not debate the matter before us.

Mr. PRESIDENT: Who are the "we"?

SENATOR T. E. BARKER: That the Senate did not debate the matter before us. Again, Sir, I spoke for an hour on this and I...

Mr. PRESIDENT: Senator Barker, that is my privilege to determine whether it is relevant or not.

SENATOR T. E. BARKER: Precisely, Sir. Therefore he is not to say that it is relevant or not.

Mr. PRESIDENT: All right, Senator Barker, you will take your seat! That is not a point of order. You may continue, Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: Thank you, Mr. President. I shall not...

Mr. PRESIDENT: ... and you shall not in future keep interrupting on points which are not points of order. That is not good debating. It is just bad manners and an interruption of a proper debate. Senator Clarke, you may continue.

SENATOR THE HON. Dr. C. D. CLARKE: Thank you, Mr. President, I shall not detain the Honourable Chamber, as I see in spite of your best efforts and other efforts of other Members in the Chamber some of our Senators refuse to learn.

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

The question was put and agreed to.

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

ORDER NO. 6 – RESOLUTION TO RAISE THE ISSUE OF TREASURY BILLS TO PAY OFF BILLS ALREADY ISSUED AND OUTSTANDING

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, this debate should have been and, hopefully, in the near future will be part and parcel of the overall Local Loans Bill. The Resolution before us seeks to increase the limit of Treasury Bills and Certificates from \$600 million to \$700 million. This facility is one of the very short-term debt instruments which the Government uses from time to time to either enhance its cash flow in the short-term or also to provide earning reserves for the commercial banks. This instrument came into greater use with the establishment of the Central Bank.

6.55 p.m.

In my earlier presentation I pointed out that Central Banks in developed countries like the United States would generally use this instrument as an instrument of monetary policy to control the rate of interest and the money supply

in the country. We in Barbados tend to use it more as part of our fiscal policy to even out short-term differences between revenues and expenditure.

As you are aware, Mr. President, commercial banks may hold their required reserves either in Treasury Bills or other specified Government securities, or deposits with the Central Bank and/or vault cash. The advantage over holding their reserves with Treasury Bills is they can earn income on it rather than vault cash which is barren. The short-term accommodation which the Central Bank has is the Ways and Means Account. I do believe that as part of the overall debt management strategy these will have to be looked at because they are really one and the same thing used for short-term financing. Instead of separate limits on the Ways and Means Account, Debentures and Treasury Notes, all of which comprise local borrowing, but covered by different bits of legislation, greater flexibility and better management of the local loans would be obtained if there was but one loan limit for all local borrowing. This would give the Minister of Finance greater flexibility in the management of the public debt.

With those few comments I beg to move that this Resolution do now pass.

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

ORDER NO. 8 – THE STABILISATION TAX (REPEAL) BILL, 1992

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I beg to move that the Stabilisation Tax (Repeal) Bill be read a second time.

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

ADJOURNMENT

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I think we have been here a long time. We had an interesting morning. We were able to complete certain Bills. I now move that the Senate be adjourned until Monday, December 21, 1992 at 10:00 o'clock in the morning.

The question that the Senate adjourn until Monday, December 21, 1992 at 10:00 a.m. was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.

7.03 p.m.

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