THE

SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1991 - 96

SENATE

Thursday, March 26, 1992

The Senate met in the Senate Chamber, Parliament Buildings, on Thursday, March 26, 1992, at 10.15 a.m.

PRESENT

His Honour Senator M. deL. JORDAN, (Deputy President)
Senator the Honourable L. V. H. LEWIS (Minister of Agriculture, Food and Fisheries) (Leader of the Senate)
Senator A. MORRISON
Senator Mrs. V. C. FRASER, B.S.S., J.P., M.C.F.A.
Senator A. J. N. PHILLIPS
Senator the Honourable Dr. C. D. CLARKE (Minister of Trade, Industry and Commerce)
Senator Dr. Frank W. ALLEYNE
Senator Miss Y. V. WALKES
Senator Mrs. M. BARKER-WELCH
Senator Dr. E. A. SIMMONS
Senator J. J. PAYNE
Senator Mrs. M. WALCOTT, S.C.M.
Senator W. LeR. INNISS
Senator the Rev. Canon J. L. SPRINGER
Senator J. G. BELLAMY
Senator J. A. F. COLE
Senator T. E. BARKER
Senator Miss M. A. MOTTLEY.

Prayers were led by Fr. Errington Massiah.

Mr. DEPUTY PRESIDENT: The Senate is in session.

PRESENTATION OF PAPERS

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, I have the honour to lay the First Annual Report and Accounts of the Management Commission of Parliament for the year ending 31st March, 1991.

I am further directed, on behalf of the Minister of Finance, to lay formally the Annual Estimates for the year 1992-93 and the Schedule of Personal Emoluments for the same year, which documents were previously circulated to Members of this Honourable Senate.

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

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, I beg to move that Standing Order 45(2) be suspended for the rest of this sitting, which begins today and hopefully continues tomorrow.

The question was put to the Senate and agreed to.

SENATOR THE HON. L. V. H. LEWIS: I beg to move that Senator Joseph Payne be appointed to perform the duties of Deputy President for this sitting of the Senate.

Mr. DEPUTY PRESIDENT: There being no dissenting voices, Senator Joseph Payne has been elected to perform the duties of Deputy President for the remainder of this sitting.

INTRODUCTION OF BILLS

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

Consolidated Fund and to appropriate the same for the service of Barbados for the year ending 31st March, 1993.

The question was put to the Senate and agreed to.

PUBLIC BUSINESS

ORDER NO. 1 – THE APPROPRIATION BILL, 1992

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, once again we find ourselves at that time of year when we are invited to debate the Appropriation Bill. As I move the Second Reading of this Bill and its Schedule, the Estimates for the year 1992-93, if our debates are not to take place in a vacuum but rather in the full glare of the hard, cold facts of the real world, I would like to invite my colleagues to bear with me as we review the international economic scene as portrayed in the Caribbean Development Bank's Press Release No. 292, captioned "Highlights of CDB's Activities in 1991 – Economic Background and Prospects, Part A – Economic Review and Prospects" and I quote: "In 1991 most of the industrialised economies experienced significantly lower rates of growth or recession." It should be noted that our major international trading partners, "the United States, the UK and Canada are estimated to have moved from modest low positive growth in 1990 into recession early in 1991 and remained there to the end of the year."

In spite of this rather dismal outlook, there has been at least one bright note, especially for Latin America, and it was as stated in the Report by the Caribbean Development Bank: "It was the fact that for the first time in more than ten years there was a net positive inflow of financial capital estimated at US$7 billion." Unfortunately for us here in Barbados there continues, as we shall see when we come to Debt Service, to be a net capital outflow. This is the opposite of what is occurring in the rest of Latin America. Even more daunting is the outlook for 1992 as presented in this Press Release.
10.25 a.m.

It goes on to state:

> "There are no bright prospects for economic recovery in the industrialised economies during 1992 and their continuing state of recession or low positive growth rate will result in further difficulties and disappointments for developing countries such as the Caribbean which rely on the export of high volumes of primary commodities and increased tourist arrivals and expenditure for improvement in their own economies."

We are all aware here in Barbados that our major foreign exchange sector, tourism, declined in 1991 when measured by stay over visitor arrivals. This decline was due in the main to matters well outside of our control. The major causes given for this slowdown were the continued slowdown of economic activity in our major tourism importing countries – the United States, Canada and the United Kingdom; the outbreak of hostilities in the Persian Gulf with the attendant fears of air travel and the reduction in airline seats.

There was one bright spot in this sector and that was the increase in cruise ship arrivals. This shift in visitor preference will be carefully watched to find out if the market is changing or is just a temporary arrangement occasioned by the fall-off in travellers' incomes and the consequential reduction of their expenditure on travel. I will have more to say later in this presentation because I am holding a brief for the Ministry of Tourism as well as my own Ministry of Trade.

Turning to the manufacturing sector. This sector which is another major earner of foreign exchange also declined in 1991. The factors mainly responsible for this decline have been identified as the slowdown in construction, the slump in tourism, increases in interest rates, that is, the cost of funds, the lack of availability of funds as evidenced by the decline in commercial banking credit, the high cost of production as reflected in raw material costs including transportation, fuel costs and wage rates.

Against this background, Mr. Deputy President, we should try to identify what our national economic goals should be as a result of the programmes funded in the 1992-93 Estimates of Revenue and Expenditure. From my perspective, these goals should be as follows:

> Restrained growth in domestic consumption, especially of imported goods and services.
>
> Increased foreign exchange earnings through the increase and export of both goods and services.
>
> Reallocation of resources stressing investments in the trade sectors.
>
> Improvement of the country's credit worthiness to facilitate access to foreign capital at market or preferential rates. A review of the tax structure to favour investment and production, especially, for the export markets.
>
> To continue to upgrade and improve our human capital especially through health and education.

To ensure that our labour force is well equipped to meet the skills requirements of the changing productive sectors.

To maintain a stable purchasing power for our currency.

To maintain an economic environment conducive to entrepreneurial development and the nurturing of individual initiative.

To ensure that the national income is equitably distributed. To remove from society those threats to personal freedom and safety and to enable our citizens to enjoy their property and the pursuit of happiness; and lastly, and by no means least, not only to maintain and enhance our environment but also remove any threats to its degradation.

Those should be our national goals as a result of the Estimates which are presented before us here today.

Mr. Deputy President, with your permission, I would now like to turn to the revenues as presented within the Memorandum of Estimates. The estimates of current revenue of $1 077 927 745 represent an increase of $100 357 202 or a 10.3% increase over the approved estimates level for the financial year 1991-92. It is somewhat unfortunate that because of this increase people, and people who should know better, aided and abetted by the newspapers, have sought to give the populace at large the impression that taxes will be increased. Note there is an increase in revenues over and above that which occurred in the year 1991-92.

I do believe that we will continue to experience such misleading information being purveyed until such time as the Budget which, in my opinion, is one blade of the whole fiscal exercise, and the Estimates of Revenue and Expenditure and the Appropriation Bill which we are called upon to debate here today are debated at one and the same time. To this end, the Prime Minister and Minister of Finance has recognised the need for this and has stated in the other place during the presentation of the Appropriation Bill, I quote:

"It is my intention in due course to bring these 2 processes closer together so that they can be seen as parts of a simple process which is indeed what they really are."

Getting back to the increase within revenues, not occasioned by an increase in taxes, I would like to point out what are some of the factors responsible for this increase. Growth in various sectors of the economy, as measured in monetary terms, would lead to an automatic increase in revenues, increases in profits, dividends and wages and given the current tax rate more vigorous collections of revenue both by the Inland Revenue Department and at the Ports. I believe at the end of 1991 the arrears of revenue due to the Customs Department at December 31, totalled the sum of $10 453 682. These are arrears, not current collections.
10.35 a.m.

Finally, another factor that will also cause an increase in revenues will be bringing those people into the tax net who should now be paying taxes but are not doing so at present. I am not talking about tax avoidance. I am talking about tax evasion. Those are the factors - growth in sectors of the economy, increases in taxes, dividends and wages, more vigorous collections of revenues and bringing people into the tax net who are now evading it. These will all lead to increases in revenue without any additional increases in taxation.

Mr. Deputy President, I would now like to turn to the Functional Classification of Current Revenue, 1992, which you will find at page 3 of the Memorandum of Estimates. What we are looking for here is any shift in the tax structure from direct to indirect taxation. We find that Taxes on Incomes and Profits in 1991-92 accounted for 26.5% share of total tax revenues. For 1992-93 it is estimated at 27.2%, a slight increase. Taxes on Goods and Services constituted 29.8% in 1991-92 of total revenues for that year while in 1992-93 the estimated collection from that source will be $348 935 200 or 32.4% of the tax taken in 1992-93.This would tend to indicate that although there has been an increase in the share going to direct taxes, the share going to indirect taxes has increased more. There is a study now underway to evaluate and make recommendations vis-a-vis the incidence of the tax burden to ensure that there is a more equitable distribution of the tax burden and those who are in a position to best bear that burden be the ones to carry the load.

With your permission, Mr. Deputy President, I would like to look now at the Functional Classification of Expenditure. This is set out also at page 4 of the Memorandum. We notice here that there will be a decrease of $101 918 444 or about 7.5% from 1991-92. As we look at the classifications here we have the General Public Service which includes Establishments, Foreign Affairs, the Public Service Commission, Central Purchasing, Parliament, Cabinet, et cetera. We find that whereas in 1991-92, the current financial year, the share going to the General Public Service was 14% of total allocation, in 1992-93 it has increased to 19.5%. In absolute terms, rounded it was $189 million in 1991-92 compared with $243 million in 1992-93.

Education and Health, which I prefer to call the provisions for the development of human capital, enjoyed between them in 1991-92 about 31.2% of the national pie. In 1992-93 they will enjoy 28.8%, a slight reduction in terms of the share of the national pie. The Economic Ser-

vices received 16.5% of Total Expenditure in 1991-92 and this has fallen to 11.5% in 1992-93. This group includes Trade, Industry, Agriculture, Roads, Civil Aviation, Tourism, Lands and Surveys, Labour, et cetera. When we present the more detailed presentation in Trade and Tourism we will be able to explain how some of the cost-cutting measures have been put into place. While we might actually effect a cut overhead from each Ministry, it could be achieved by amalgamating some of the offices overseas by shifting some of the manpower resources from the diplomatic area into the economic area. I shall get back to this later in the presentation.

The Economic Classification of Total Expenditure at page 5 of the Memorandum shows that in 1991-92 about 42% went to Wages and Salaries while the relative share in 1992-93 fell to 37.8%. Current transfers in which there is also a sizeable wages and salaries component, that sector has also fallen from 23% in 1991-92 to 21.1% in 1992-93 of the Total Current Expenditures.

Of particular importance here in this Classification is the direction of debt servicing. This has now risen from 24.8% of Total Expenditure in 1991-92 to 31.4% in 1992-93 which, I believe, based on that classification, is now second only to wages and salaries in 1992-93 at 37.8%. What does all this mean, especially debt servicing? We believe that with the increasing share of Government expenditures going to debt servicing, much greater care and closer attention must be paid to the management of the public debt. As things now stand, there is no department or division set up to deal with the public debt. If it is recognized that effective management of the public debt can be another tool used to achieve our economic goals and if it is further recognized that the more tools we have to achieve our economic goals the more likely we are to reduce some of the conflicts which arise as we seek to achieve these goals then the effective management of the public debt will be the bridge linking monetary and fiscal policy. It will link monetary policy through the rate of interest and fiscal policy via the manner in which loans are raised to finance fiscal deficits or the retirement of outstanding loans to various sectors.
10.45 a.m.

In addition, based on the management of the public debt monetary policy would be affected via the quantity of money in circulation depending upon whether borrowing is from the Central Bank and/or from the general public. Thus because of this growing importance of the public debt and its prominence in terms of its claims on Government resources and further its influence on fiscal and monetary policies in addition to the distribution of income, the levels of employment and foreign reserves and the balance of trade, among others, the time is just about ripe to have such a department or division set up to deal with this very important area. It is no longer sufficient to roll over the debt when it falls due but to so manage it that it will complement both monetary and fiscal policies as they seek to achieve the national economic goals. I do believe that this will come about very early in the new financial year.

Before going into the Estimates proper, we recognize that the financial year 1991-92 which is now drawing to a close has had its ups and downs and especially for marginal companies operating in the private sector. By the very definition of marginal companies the slightest disruption to the economic environment will have grave effects for some companies, the slightest quiver. However, at the other end of the spectrum, there are other companies which tend to do well or to suffer no immediate ill effects when these tremors are encountered. I believe that in the stock market you have the bulls and the bears, the bulls making their money on rising markets and the bears on the falling markets. For this reason I should like to take the opportunity to look at the performance of those: I think there are 14 or 16 companies listed in the Barbados Stock Exchange during the year at hand. We must remember the context in which we are putting the operations of these companies and I am bringing it to the attention of this Honourable Chamber at this point in time because when we hear the utterances which emanate from the management of some of these companies we need to bear this closely in mind. Certainly no company operating expects to make large profits each and every year of its existence. Neither do we expect them at the first down turn – I am no longer talking about the marginal companies. I am talking about the well established companies which have been doing well over the years – to start shedding load especially in the area of employment. We would expect that out of retained earnings, over the years, that some of the discomforts and some of the adjustments could be absorbed out of retained earnings or low profits rather than the retrenching of staff. I do believe, rather strongly, that it is only in the last resort that labour should go. In sheer economic terms, you have to train them, there is a cost. After training when the labour is non-productive then you have to rehire them. If you are lucky enough to get them back, okay. If you cannot get them back, you go through another training period.

But getting back to the performance of those companies listed on the stock exchange. I am reviewing this in light of the international economic picture painted by the Caribbean Development Bank and also against the background and the constant cries of how poorly these companies are doing that we would want to look at two major areas:

(1) what has been happening to sales; and

(2) the extent, if any, that these companies have been sustaining losses.

What do we find? Contrary to our expectations, based on the howls we have been hearing for the year just ended, we find that of the 14 companies listed on the stock exchange and the 12 for which we have Reports – all 14 have not yet reported – 8 of the 12 had increased sales. Sales actually went up for 8 of the 12. Banks Limited – the brewery – had an increase of 85.7% in sales. This was not only from the beer sales but bearing in mind that during that year it also acquired Coca Cola and this would have added to its sales. But just for the record. There has been an overall increase of 85.7%. BET had increases of 9.8% in sales and BARTEL, the telephone company 9.2% in sales. Courts Limited had an increase of 13.3%. Plantations Ltd. the sick company in the group had an increase of 5.9% the increase no doubt in part due to the acquisition of supermarkets and discount outlets coming from the Goddard group. The Goddards Enterprises group in spite of shedding some of their subsidiaries, the supermarket chain and discount outlet they still showed an increase of 2.4%. Modest increase by the standards for that group. There were only two companies showing a decrease in sales, BICO experienced a 1.0% decrease in sales and West India Biscuit Company Ltd. experienced a decrease of 2.1% in sales.

The other variable I choose to look at to determine how well these companies have been doing is profitability after taxes. Of the 12 companies for which there are Reports, 11 of them were profitable. Only one, Plantations, was unprofitable, although – and this should be noted – in 1991 its losses were lower. In 1991 its losses of $5 726 000 were much lower in 1991 than they were in 1990 when they stood at $6 656 000. So at least they are beginning to turn around.
10.55 a.m.

Of these 11 or 12 profitable companies, 4 actually showed an increase in profits in 1991. Not only did they remain profitable but 4 of them actually showed an increase over what it was in 1990 because of what they perceived to be economic hardship.

Banks registered a profit of $4 739 000 or a 33.4 per cent increase over 1990. Barbados External Telecommunications recorded a $16 970 000 profit or a 17.5 per cent increase over 1990.

Courts achieved $2 273 000 profit in 1991 giving it a 49.8 per cent increase over 1990.

A. S. Bryden had profits of $4 108 000, a modest decline of 2.8 per cent from 1990.

Barbados Shipping and Trading had profits of $11 355 000 in 1991 compared with $11 359 000 in 1990, a fall of about $4 000.

Bico had profits of $756 000 compared with $865 000 in 1990 for a decline of 12.6 per cent in terms of profitability, not losses.

Bartel, although sustaining a decline in profits of 32.2 per cent in 1991 still had profits of $11 355 000.

Goddard Enterprises, although shedding supermarkets had profit of $7 million. This is after taxes, this is what is used for retained earnings and to pay shareholders. Goddard Enterprises had profits of $7 494 000 in 1991 compared with $8 866 000 in 1990, a decline of 15.5 per cent.

West India Rum had profits of $846 000 in 1991 compared with $866 000 in 1990, a decline of 15.5 per cent. For West India Rum this decline was the largest of any of the reporting companies and this is rather interesting and I believe the Minister of Agriculture, whom we are fortunate to have here will have something to say about this in his presentation. This large decline for the rum company was due mainly to the firm having to import molasses in 1991.

As a matter of fact the efforts that we have expended as a Government and the resources which we have placed at the disposal of West India Rum company to promote rum in Europe it would be a tragedy if we would allow the inability to obtain molasses, a major input in Barbados rum, not to be available because all those resources which have already been spent in promoting Barbados rum would be eternally lost. These are some of the implications that we have tied up with the whole sugar industry. It is not just selling raw sugar but whether molasses is there to support the rum. What will Barbados be without cricket, rum and other things?

It is therefore clear, Mr. Deputy President, that from this information nearly all of the listed companies are in fairly good financial health when measured by their sales profitability. From their profitability they are still able to pay dividends and set aside something for retained earnings, hopefully to recapitalise the existing companies to make them more efficient in their operations. Even with the sick company amongst the group, absolute losses have been reduced in 1991, that is Plantations Limited, compared with 1990.

Mr. Deputy President, I think it is time now that we spend some time looking at Barbados' trade performance over 1991 and 1990. Domestic exports reached a level of $193.15 million during the first nine months of 1991 compared with $197.64 million during the corresponding nine month period for 1990. This represents a decline of $4.49 million or 2.3 per cent decline in exports. In spite of this decline there have been some bright spots on the horizon. We have had some growth in the export sector

in 1991 in agricultural exports which increased by $4 million or 5.6 per cent during the period of 1991 when compared with 1990. The areas mainly responsible for this growth were food flavouring and other preparations and molasses in spite of the decline in sugar exports.

We also had exports of chemicals which recorded an increase of $.57 million or an increase of 2 per cent during the first 9 months of 1991. That is, in absolute dollars, it rose from $28.98 million in 1990 to $29.55 million in 1991. Exports of machines and transport equipment recorded an increase of $0.8 million from $24.7 million in 1990 to $25.5 million in 1991. Exports of miscellaneous manufactured goods increased by $0.9 million from $18.38 million in 1990 to $19.29 million in 1991.
11.05 a.m.

Re: Exports – Those are goods that come into the country which are not consumed here but go back out and for which Barbados could again become a centre for transhipment. It is not an area that should be looked at lightly. Once certain problems are ironed out in our Port, we can again look at having Barbados as a centre for break bulk within the year given our own levels of import on standards for import, whereby goods coming into the country can be imported along from broken containers of small shipments going elsewhere within the region. But exports were $128.98 million at the end of September 1991 compared with $128.64 million for the same period of 1990. This is heartening because, in spite of the problems at the Port, there has been no decline at all in terms of the volume handled there. We had a modest increase of $30.34 million or 0.3 per cent at the Port.

Turning to the other side – Imports. The total imports were valued at $1.067 billion during the first 9 months of 1991 compared with $1.033 billion for the corresponding period of 1990. This represents an increase of $34.34 million or 3.3 per cent. Imports increased by 3.3 per cent while exports have declined by 2.3 per cent, thereby widening the gap in the balance of trade.

The major areas of import growth have been imports of food which increased by $21.82 million or 15.2 per cent up from $143.48 million in the first 9 months of 1990 to $165.30 million in the corresponding period for 1991.

Imports of chemicals increased by $9.1 million or 8.6 per cent from $105.5 million to $114.6 million in 1991. This growth was primarily due to imports of fertilizers and other raw materials for industrial plants such as paints and detergent manufacturing.

The widening gap between the increasing levels of imports and declining levels of exports are worsening our balance of trade. However, we note that Barbados is now undergoing a major structural change in its industrial sector and one that is likely to have had a profound impact on this economy as it underwent the transformation from a sugar agriculture to tourism in terms of employment generation and foreign exchange earnings. It should be noted, Mr. Deputy President, that just as exports of electronic components fell from $24.27 million in 1990 to $21.3 million in 1991, we find that the data processing industry, a sector of the informatics industry, employed 1,505 people in 1991 compared with 1,404 people in 1990. The data processing industry exported 99 per cent of its product while expending over $45.2 million in the Barbadian economy for the 9 month period ending September 30, 1991. The corresponding expenditure for the same period in 1990 was $42.2 million.

In addition, Sir, on one side we have the data processing sector within the informatics industry and we have licences issued to foreign sales corporations. These have now grown to 628 over the period January 1, 1985 to December 31, 1991. Of the 628, 136 new licences were issued in 1991 compared with 88 in 1990 for an increase in this new sector of an increase of about 54 per cent.

I should add that before the year is out, hopefully within another month or two, legislation should be coming before us to further enhance our competitive position in the offshore financial sector especially with respect to foreign sales corporations. Although we are experiencing this growth in the informatics industry, Government is still committed to ensuring that the manufacturing sector regains its rightful place in terms of its contribution to the gross domestic product. To this end, Sir, Government expects the manufacturing sector to contribute about 10 per cent to the gross domestic product. In order to ensure this, Government continues to grant tax concessions to waivers. In 1991, Government granted $22.5 million in such waivers. Government's commitment does not end there.

In order to help the sector to restructure itself and to expand exports, two studies were commissioned. Out of these studies, we in the Ministry of Trade have set up some sub-committees which include representatives from the private and public sectors to review the relevant findings and recommendations of the studies and to advise on their appropriateness for inclusion into an action plan. The work of these sub-committees is now at an advanced stage. In addition, plans are on the way for the reform and restructuring of the Industrial Development Corporation and the Export Promotion Corporation.

Government continues to give other assistance in addition to the tax concessions and the studies which were commissioned to all manufacturers, especially to the local manufacturers. The types of assistance which have been granted in addition to factory space include training grants. During this period, the Industrial Development Corpora-

tion approved 4 claims totalling $104 959 which represented reimbursement for the training of 143 workers. 11.15 a.m.

There is also assistance in the area of enterprise development assistance. The Industrial Development Corporation directly assisted five entrepreneurs in organising new ventures. The type of assistance offered included preparation of pre-feasibility studies, business plans and accounting systems. Assistance was also granted for seven local companies to attend International Trade Fairs in the United States. The assistance granted was by means of paying for some of the tickets and living expenses while overseas. Workshops have also been established during the period, especially those dealing with quality control in the garment sector and quality control on computer services. For these two workshops over ten local companies participated. Another workshop established was the computer as a tool to improve plant efficiency and 34 participants from 26 local firms participated.

The Industrial Development Corporation also facilitated the project aimed at arranging financing for a group of about 18 local manufacturers who had been the focus of an inter-agency manufacturing restructuring programme in 1989. The Industrial Development Corporation has also sponsored garment manufacturers' participation in fashion and boutique shows in New York. It has also assisted local manufacturing companies in identifying licensing and franchising arrangements as a means of finding new product markets and acquiring the necessary transfer of technology. As an ongoing arrangement, it continues to assist local companies especially with the design of their products, stationery and packaging.

Now, I should like to take a look at some of the changes which have been in the Estimates at Head 40, page 96, Ministry of Trade. Under Subprogram 01: Direction and Policy Formulation, we have the allocation for Statutory Personal Emoluments for the financial year 1992-93 of $811 658. This is $71 916 less than the provision contained in the Approved Estimates for the financial year 1991-92. However, I should like to state that in spite of this the reduced allocation has not caused a reduction in the Ministry's staff. These are positions which were not filled and will not be filled in the coming year.

I am happy to report that the Barbados National Standards Institution has an allocation of $1 119 716. This is $35 253 more than the allocation made in financial year 1991-92. Recognising that the Barbados National Standards Institution (BNSI) is an integral component of the Government's strategy for promoting the growth and development of the manufacturing sector, this sector's growth and development will be conditioned by its ability to compete in local and foreign markets. Competitiveness in the market place will be influenced in part by price and significantly by the quality of products and their conformity to generally accepted standards.

The trend in the global market place is for the development of trading blocs and the liberalisation of trade within and between those blocs. As a consequence of this trend, the local market will become increasingly exposed to foreign exports. While trade is to be welcomed, the importation of substandard goods cannot be allowed. It will therefore be necessary to implement standards to which all manufactured goods coming into Barbados must adhere. The purpose of strengthening this Department is to ensure that we get our manufacturers to embrace the concept of standards and also, once they have embraced these standards, to stop the importation of shoddy imports coming from around the world, which might be attractive because of the lower price.

The Co-operative Development Regulations, which are being made under the provisions of the Co-operative Societies Act of 1990, are now at an advanced stage of preparation. It is proposed to bring the Regulations under this Act into operation during the first half of this calendar year. The functions of the Co-operative Department will be considerably expanded with the commencement of the Act. Additional staff is therefore being recruited to enable the Department to function in an efficient and effective manner.

For the Industrial Development Corporation and Export Promotion Corporation, although there has been a reduction of funding by $257 629 and $219 529 respectively, there will be no, and I want to repeat, no reduction in services or efforts, since the overseas operations will be incorporated in the Embassies and High Commissions overseas and staff therein will henceforth be more responsible for economic rather than diplomatic matters. This will also be true for tourism and also to assist the marketing of agricultural produce overseas. To this end we already have in place the Foreign Affairs Relation Committee. Not only is it in place, but it is off and running.

I think, Mr. Deputy President, that with the funds provided under the Ministry of Trade we plan to undertake during the year 1992-93 the following programmes. We in the Ministry of Trade have tried our best to move away from the old line by line budgeting and identify all our requests for funding with programmes so that in case we do not get the level of funds required we know what programmes we will not be able to implement, rather than swiping across the board and cutting willy nilly. The programmes which will be undertaken during the year are as follows: (1) investment promotion to encourage investors in the United States, Canada, Europe and the Far East

to consider Barbados as the location for offshore manufacturing and data processing.
11.25 a.m.

We are not abandoning the initiatives taken in this fiscal year 1991-92 in which we extended our investment efforts into Africa, specifically Nigeria. We have been courting Ghana and there is an extant airlines agreement. We are trying to forge one now with Nigeria and enhance trade and investment between the two areas. As a matter of fact, we were able to send off on a pilot basis, some solar water heaters for examination with the hope of entering into a joint venture arrangement to have them produced either in Barbados or in that country for those markets.

In addition, those two countries have expressed an interest in agricultural machinery, especially potato harvesters, and we are still continuing our efforts to develop such.

We will continue to grant technical assistance to local manufacturers so as to aid them in upgrading their technical and managerial capabilities. Special attention will be paid to those manufacturers targeted for export market development. We will continue to engage research and analysis regarding new developments and the needs of manufacturing and the information services sectors. We will continue the maintenance and management of our industrial estates. We will continue in our efforts with handicraft development especially in the area of sales and designs. We will seek to provide relevant and timely trade information by maintaining and improving the trade information sector, publishing data and undertaking market research in overseas markets of interest.

We will seek to assist companies in preparing their marketing plans and in exporting generally by providing a marketing advisory service, design assistance and overseas representation in addition to offering a documentation service. We will help companies penetrate new markets and assist with the introduction of new products and services in overseas markets by undertaking specific promotional activities. We will continue to raise the standards of design in industry and improve design skills in addition to raising awareness of the importance of design in Barbados through a series of projects and programmes. Also within the year, we shall be looking at assisting and facilitating the establishment of a world trade centre and we shall be examining closely the feasibility of establishing a free trade zone.

It is true, as matters now stand, it could be argued that each manufacturing company that has been declared an enclave enterprise enjoys, in fact and in law, all the benefits of a free trade zone. However, they are separated in individual factories in various industrial estates, and we will seek to further strengthen the industrial infrastructure for the benefit of attracting direct foreign investment. We will seek to establish a free trade zone. It seems that some foreign companies prefer to operate within a cluster with other countries of its own making. I believe in the literature they refer to this as the agglomeration of industries.

Out of these programmes, Mr. Deputy President, it is hoped that the Ministry of Trade will achieve the following objectives which will assist the country in achieving its national goals over the life of the Estimates 1992-93. Through these programmes we hope to increase exports of manufactured goods to reach a figure of about $185 million. We want to increase the foreign exchange earnings from the data processing sector. We have set as a firm target the establishment of six new export oriented enterprises. We are seeking in this 1-year period to increase employment in the manufacturing and data processing business by 1200 people. We want to increase our factory space by about 60 000 square feet to meet the demands of the manufacturing sector and the informatics industry.

Since investors and entrepreneurs in Europe prefer joint venture arrangements, we will seek to develop profiles. This will be done in cooperation and consultation with private businesses which might be seeking joint venture partners so that we can go out and identify partners in Europe who would be willing to do business with them.

Finally, in this area, we hope to increase the export of music and videos and to market Barbados as a location for the making of films and advertisements. In the current financial year, provision was made to assist local artistes in the promotion of their music overseas. This has taken much longer than I had anticipated. Provision was made in last year's Estimates to accommodate it and it has taken much longer than I thought it would have to identify those local artistes with potential for export, but we are working on it and I have been assured by people who are involved in the process that this year we shall see the dawn of something in this area.

I would like to move on now. I am holding a brief for the Ministry of Finance and Economic Affairs and I would like to highlight some of the matters in that area. Here I refer to Head 19, Ministry of Finance and Economic Affairs, page 16 of the Estimates.

Under Head 19 the sum of $3 649 495 has been provided for this year's activities compared with $6 570 602 for 1991-92. About 39% or $1 426 653 of this provision will be required for the payment of salaries and allowances to officers assigned, as well as the payment of the employers' contribution to National Insurance, Health and Transport Levies on behalf of those officers. Twenty per cent is required for the servicing of the sector as

well as forced programmes which provide only for the payment of salaries and wages.
11.35 a.m.

Within this provision there is also a sum of $1 500 000 or 41% of the total allocation which is earmarked for contingencies. This is a big vote for contingencies. What we need to note is that in the past there was a contingency vote in all the other Ministries. In order to exercise greater fiscal responsibility, all of the contingencies votes are now brought together in one place in the Ministry of Finance and disbursements therefrom will now be undertaken only with the approval of the Minister of Finance.

This Ministry is also responsible for contributions to certain international organisations. The Latin American Economic System, SELA, is scheduled to receive $28 201 this year. The Inter-American Centre for Tax Collections, CIAT, is scheduled to receive $15 236. The UN Industrial Development Organisation UNIDO, $14 350, the Commonwealth Association of Tax Administration, CATA – $4 744, the Commonwealth Fund for Technical Assistance – $132 042, the Latin American Energy Organisation, OLADE – $51 334, the Institute of Latin American Integration, INTAL – $25 585 and the Customs Cooperative Council, CCC – $40 000 for a total of $312 492 in 1992-93 compared with provisions in 1991-92 of $259 305.

Perhaps, while some of the names of these and the acronyms are familiar to us, we are not always quite sure what it is these agencies do. I would like then to take some of your time to – I know most of you know what they do, if not all of you – make sure, just for the record, that we are all familiar with the benefits to be derived from participation in some of these organisations.

Under SELA, that is the Latin American Economic System, this provides a forum for the discussion of economic and trade issues from a regional perspective. Barbados has shown interest in the past in the work of the Handicraft and Tourism Action Committees and benefits from the flow of trade information within SELA. Now, in the opening presentation, we found that contrary to trends within Barbados, there has been a net capital inflow of over $7 billion in Latin America. Because of the existing arrangement here, perhaps, we might find out what methods they have used to be able to attract direct investment at a time when most other developing countries are experiencing a net outflow of capital.

One would have hoped, and people have tended to believe over time, that the direction of capital flows was from developed countries to the developing countries. In reality, what we have experienced is that developing countries through debt service amortisation and interest have now been remitting money to the developed countries. We would hope over time, if we are to continue our developmental thrust, to be able to reverse this trend.

The Inter-American Centre of Tax Administrators, CIAT, this organisation arranges technical seminars, training courses and disseminates literature and information on tax administration topics. Participants from Barbados have had their knowledge expanded and skills sharpened in several aspects of tax administration which they have been able to apply to the improvement and efficiency of the Income Tax Department.

There were 2 courses, in particular, held under the auspices of CIAT which have been of great benefit. One is the Basic System Analysis Course which was conducted in Barbados and the other a training seminar for officials in charge of training which was held in Curacao. This organisation, CIAT at times on the request of a Member country provides, where possible, a technical expert to look at areas of improving tax administration in Member countries.

Under the United National Industrial Development Organisation, UNIDO, Barbados also receives technical cooperation in the areas of drug administration and control, computer technology and equipment, export promotion and training investment appraisal and management. As a matter of fact, it was only in February, last month, when we benefited significantly. UNIDO established a series of meetings for us in Europe, France, Paris, Vienna and Milan. Out of these are some good-looking prospects in addition to which they are planning to bring to Barbados early next year, March or April, an investor forum. What is meant here is that they will identify – that is why the need to develop profiles, as I mentioned, as one of the programmes under them for the Ministry of Trade in the coming year – potential investors out of Europe, bring them to Barbados for forums to introduce them to what we are doing in Barbados and have a look at the infrastructure in place for the development of industrial development. Those are some of the types of assistance we can get from UNIDO.

The Commonwealth Association of Tax Administrators, CATA, arose out of a meeting of the Ministers of Finance of the Commonwealth. It now boasts a membership of over 20 countries, including Australia, United Kingdom, New Zealand, India, Fiji, Singapore, Canada, Jamaica and Trinidad. Since its establishment, the Organisation has organised seminars, technical conferences and training courses. It is felt that the personal contacts made enabled Barbados to solicit information directly from Member countries. As an example, New Zealand supplies Barbados on a continual basis with technical information on its tax law and administrative improvements. Literature

has also been received from Canada and India as well as Australia. Membership in this Organisation caters to the professional development of the tax officials of Barbados.

The Commonwealth Fund for Technical Assistance, CFTA has benefited Barbados significantly from participation in its programmes. Barbados has received assistance in several areas including education, agriculture, taxation, health, legal affairs, industrial development, export promotion, engineering, quantity surveying, architecture, hotel and tourism.

The benefits from our membership in the Latin American Energy Organisation, OLADE, are the training of staff, assistance in development of our energy programmes and the supply of equipment. It has helped Barbados to strengthen its bilateral contacts with other countries, especially oil producing countries. Here we have Venezuela as a case in point.
11.45 a.m.

Barbados became a member of the Institute for Latin American Integration from 1972. While at present it derives no significant direct assistance, it has decided to continue membership because of the special relationship which this organisation enjoys with IADB (the Inter-American Development Bank) which has been extremely helpful in financing a significant number of not only number but also sums, lending significant sums to Barbados for its capital works programme. Barbados is seeking and provision has been included for membership in the Customs Corporation Council, CCC. Barbados has been proposed to become a member and had hoped that it would have been a member since July 1990. However the formalities have not yet been completed.

Mr. Deputy President, I should like to turn to Head 34, Education. I am also holding a brief for the Ministry of Education. Head 34, page 56 in the Estimates. As we are all familiar, the educational system in Barbados is basically divided into 3 major groups, primary education, secondary and the tertiary level. Within the primary you have the pre school education, also special education at primary and secondary level and continuing education at secondary and tertiary levels. At the pre-primary stage we recognize in the old educational system that the foundation of any future development in education, any future advancement in education must rest squarely on whatever foundation we are able to achieve in our most formative years, that is at the pre-school or kindergarten level and the primary level.

I think too often that our attention is directed towards what occurs at the secondary and the tertiary level. But I should like to posit that at that time it is much too late to correct the damages that might have been done at the primary and pre-school level. At the pre-primary level education is provided in 3 nursery schools, one at Erdiston Nursery, one at Government Hill Nursery and another at Eden Lodge Nursery. Government also maintains a number of places at primary schools in addition to these 3 pre primary schools or kindergarten schools. To the extent that there is room in other primary schools, you are allowed to take your pre school kids there.

Proposals for a wider programme of pre-school education have been considered and approval has been given for the further expansion of pre-primary education by the provision of two additional nursery schools which would bring the total to five and the addition of nursery units in existing schools where feasible and necessary.

At the primary level, there are 90 schools ranging from nursery to composite. As the number of pupils in the composite schools decrease, some senior schools and senior departments of composite schools have been phased out. Of the 90 primary schools providing this type of education there are 7 composite schools and 2 senior schools. Special education is also offered at one vocational centre and 2 units attached to primary schools, in addition to the school for the deaf and the blind. Supervision of pre-primary and primary school education sees the primary schools dividing into 4 districts each of which is under the supervision of an education officer.

The Ministry of Education has continued the reorganisation of primary schools as a means of our achieving greater cost efficiency and efficient management. As a consequence, some schools have been closed and there has been the amalgamation of others.

Significant changes during the last year include:

(1) the continuation of the policy to expand the provision of nursery education;

(2) the closing of uneconomic senior departments of composite schools where teaching units were no longer viable; and

(3) the phasing out of the senior schools.

Students who fail to gain places in secondary schools as a result of the 1991 Barbados Secondary Schools Entrance Examination continue to be placed in selected composite schools.

On the drawing board it would seem that provision has been made or will be made for the amalgamation of 18 primary schools to form 10 new primary institutions.

In turning to the area of special education, we find that the demand for special education for mentally retarded children has increased by 60. There are now 360 children awaiting placement in special education. The annual cost

of special education per child which is based on the provision of instructional staff is as follows: The school for the deaf and blind where there is the ratio of 1 teacher to 7 students is $6 141. The units for the mentally retarded with a teacher, the student ratio is 1 teacher to 10 students for a cost of $2 540.
11.55 a.m.

In addition to this, that is Government's own provision, an annual subvention was granted to two private institutions which offer special education and vocational training to mentally retarded children.

Turning to secondary education, the number of students and staff at the 22 secondary schools at October 31, 1991 stood at enrollment of students 21 222 with a staff of 1 201 with a pupil/teacher ratio excluding principals of 17.7 students to one instructor.

Of particular note, we find that with respect to the management of secondary schools, in order to facilitate improved management of the secondary schools it is proposed to restructure the Boards of Administration. At this point each School Board now has a Secretary Treasurer, an Executive Officer and a Clerk/Typist.

The school system is also stepping up efforts to have information technology introduced at nearly all of the secondary schools and at this point in time some selected primary schools. At this point there are about 7 secondary schools without computers and all the other secondary schools have computers. There are 7 primary schools with computers: Cuthbert Moore Primary in St. George, St. Matthias Primary, Mount Tabor, St. Mary's, Roland Edwards, Selah Primary and Bayleys Primary.

Turning to the Schools Meals Department. In addition to students in the Government Primary Schools, the composite and the senior schools, children attending three private schools; the Challenor Memorial, the Roman Catholic School and the Vocational Centre, also benefited from the school meals programme.

Turning to the tertiary level, Mr. Deputy President, the tertiary level institutions have continued to make positive contributions to the national education and training effort directed at meeting the needs of the various sectors of the economy. Useful collaboration among the various tertiary level institutions has continued within the framework of Government policy, promoting efficiency, minimising duplication, while maximising the use of the scarce resources allocated to training.

At Erdiston College, while continuing to play a key role in the educational thrust of the Government it provides for training teachers for primary education and for secondary education. It also provides training for specialist teachers for the system and training in classroom management, discipline, record keeping, guidance and counselling, educational history, administration and also for school leadership to hone parents' relationships.

The Samuel Jackman Prescod Polytechnic provided training in 1990 for 1 723 students in the following programmes. Full time – Day. These courses were mainly of two years duration with a small number having a strong practical bias of one year duration. There was also another group, Part-time – Day, these were mainly for one day per week with a duration of one to two years. Evening, these were conducted on two evenings per week from 5 o'clock to 7 o'clock for one or two years. There was a special group which dealt with ad hoc courses or courses for other institutions.

The major courses covered, and these are for two years' duration, are auto mechanics, welding, carpentry and joinery, cabinet making, machine shop engineering, refrigeration and airconditioning, electrical installation, electronics, printing, cosmetology, clothing craft, home economics, commercial studies. For one year's duration we have masonry, auto repair and spray painting, plumbing, agriculture, sewing machine operation.

There are also in place some special programmes which reflect co-operation between the Samuel Jackman Prescod Polytechnic and Government Secondary schools. This institution offers assistance to secondary schools on a day release basis as follows: Students from the Alleyne and Parkinson Schools follow courses leading up to CXC Industrial Arts Examinations; the St. Michael School students follow courses leading up to CXC electricity/Electronics Examinations; and there is also a Canadian training awards project CTAP, summer programme which dealt with small builders foremanship, refrigeration Part 1, Radio Servicing, Auto Body Repairs Part 1, plumbing, hotel electro-mechanical maintenance, hotel building maintenance and television servicing.

There is also another cooperative effort and that is a programme dealing in woodwork, masonry and shoe repair for students from senior and composite schools. These courses are all conducted at the Wildey Campus or at the Bay Vocational Centre.

There is also an apprenticeship programme which provides training, both practical and theoretical in a variety of trades for apprentices recruited by the National Training Board. Courses are offered in the schemes of training developed by the National Training Board in the areas of masonry, carpentry, electrical installation and auto mechanics. What is coming through in all of this here vis-a-vis this institution is not only the pursuit of

its own curriculum but also the assistance that it is prepared to give to other institutions, whether at the tertiary or primary level. I do believe that it was in our system that more and more institutions should reach out, not only to other government-assisted schools but also to private institutions within the communities, so that for each dollar spent and for the presence of buildings and plant and large capital investments sitting there which are unused for large periods in the night, that the communities could come together and begin to make greater use of these facilities.

The Barbados Community College is pretty well known in the area and it has been progressing with its associate degree programme and certificate programmes in the usual well known disciplines. There is now an associate degree in nursing. This is a welcome development at this institution because it more or less brings the institution firmly in line with course offerings for associate degree and certificate programmes as offered by institutions in North America. As more and more of our school leavers seek to further their education in North America, training in this institution as the first step could reduce the stay towards the baccalaureate degree of about 2 years if we articulate our programmes with those institutions in North America. 12.05 p.m.

Before I leave Education, Mr. Deputy President, I want to deal with Study Leave for teachers. During the past year, a total of 47 teachers applied for Study Leave during the academic year 1991-92 to pursue studies at the Barbados Community College, Cave Hill Campus of U.W.I. and other accredited overseas universities. The areas covered include agricultural education, early childhood education, industrial arts, music, psychology and guidance counselling, reading and special education. Of the 47 teachers who applied for the Study Leave, 13 were successful and these were granted local Study Leave. Eleven accepted leave on half-pay and two of them on no pay.

There is also the Continuing Education Programme which was started as a pilot project in January 1990 at 4 centres, and they are as follows: Christ Church Foundation, Springer Memorial, Grantley Adams Memorial, and St. James Secondary. The ultimate intention of the Continuing Education Programme is that it should become self-financing. The Programme was introduced to meet certain identified needs which addressed those needs of school-leavers who required additional qualification, drop-outs from the formal school system, persons who have basic academic qualification but wish to further or upgrade their academic or technical vocational qualification for the purpose of employment, and persons who are interested in improving their homemaking and craft skills. These are some of the interesting and exciting programmes which the Ministry of Education has launched during the current financial year and which it hopes to continue in the new financial year of 1992-93.

We have recognised the importance, as I said earlier, of pre-primary and primary education. We have tried to offer a variety of programmes at the tertiary level, especially at the Polytechnic to reflect the changing job requirements in the work force as the society and the industrial climate change, so that we can match the skills requirements with what we teach in our various institutions.

Finally, Mr. Deputy President, although we touched on Tourism, I would just like to wind up this part of the presentation with some comments on tourism, which is our number one foreign exchange earner and also our largest source of employment in the economy. In 1991, long-stay visitor arrivals were 394,222 which was 8.8 per cent less than 432,067 visitors who came here in 1990. I touched on some of the reasons for the decline in long stay visitors, but I will repeat them now.

The factors that have been identified are as follows:

(1) recession in the major tourism generating markets of U.S.A., Canada, and the U.K.,

(2) high interest rates,

(3) high price of aircraft fuel,

(4) insufficient supply of air transportation out of some markets,

(5) Gulf crisis.

The U.S.A. market generates most tourists for the Barbadian hotel industry. The U.S.A. market in 1991 sent us 119,069 visitors. These were 16.9 per cent less than the tourist arrivals from the United States in 1990. In spite of this, they still constituted 30.2 per cent of total tourist arrivals for 1991. The particular problems plaguing the U.S. market continue to be the economic recession and consequent job losses and the turbulence in the airline industry with several airlines going bankrupt resulting in difficulty in finding adequate direct air services between Barbados and the United States.

Turning to the United Kingdom, there were 88,166 tourist arrivals from that source in 1991 and these were less than 1990 arrivals by 7.1 per cent. The particular problems facing the U.K. market have been identified as the rising interest rates which tend to raise prices and reduce disposable income.

Regarding the Canadian market, there were 46,286 tourists or 20 per cent less than there were in the previous year 1990. Canada is also affected by the economic

recession which is so evident in the United States. For those Canadians who travel, given the strength of the U.S. dollar vis-a-vis the Canadian dollar, they apparently are seeking destinations such as Santo Domingo, Mexico, and Jamaica which have weak currency vis-a-vis the Canadian dollar.

The European market was the only one to show any increase and, in part, this is due to the European currency remaining fairly strong vis-a-vis the U.S. dollar and the successful operation of charters out of that market. The 65,788 arrivals from Europe were an increase of 13.7 per cent over 1990 levels. There were 1,862 tourists from Austria which was up by 15.9 per cent, 5,465 tourists from Switzerland which was up by 33.9 per cent, and 922 tourists from Denmark which declined by 26 percent.
12.15 p.m.

Of maximum import as we talk about tourism, it is not how many tourists come to Barbados – in part it might matter because there is a relationship between how long they stay and what they spend – but the bottom line at the end of the day is how much money they spend in Barbados. I think too often it is easier to count heads. There have been difficulties from time immemorial in computing the net proceeds from tourism, but the gross expenditure should not be too difficult to arrive at. What I should like to see is a closer monitoring of the institutions dealing with tourism to ensure that deposits reach our banking system commensurately with the number of people they have staying in the hotels. You are charging X amount a night and if a man comes from New Zealand he will pay in some foreign currency, so it is easy arithmetic to ensure that that amount gets into the banking system.

Tourist expenditure in 1990 was estimated at Bds. $987 million.

Mr. DEPUTY PRESIDENT: You've got five more minutes.

SENATOR THE HON. Dr. C. D. CLARKE: It is believed that total expenditure in 1991 will be 3% less and will end up at about Bds. $957.4 million.

Mr. Deputy President, we have touched upon the economic climate in which we now find ourselves; we have looked at the performance of those companies listed on the stock market in spite of the economic climate; the efforts which are being made in the area of trade to further increase exports while at the same time reducing imports; we have touched upon the changing face of the industrial sector as the informatics industry begins to take hold and not supplant but rather to take up some of the slack occasioned by the fall-off in manufacturing; in education the continuing efforts to provide a strong basis for our young people; in tourism we recognise that we must, in spite of a decrease in the allocation given for the Head that because this will be offset in part by furthering the use or drawing more heavily on our Missions abroad, just as the Ministry of Trade will be doing, and also by deepening our thrust in markets rather than seeking to widen our overall efforts.

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

SENATOR T. E. BARKER: Mr. Deputy President, since we were here last year in a similar exercise a lot has happened. We have witnessed our beloved country going through some severe economic difficulties. Indeed, Sir, since we last met in the Estimates debate we had two major budgets and one mini budget. The result is that our economy is in a much worse position than it was a year ago.

We should look at the Estimates as one of the vehicles by which Government seeks to put our country back on a path of growth and prosperity. The Estimates then have to be seen in the light of what transpired in the past year, a year which saw our productive sectors in total disarray, a year which saw changes in the Civil Service which are having far reaching effects, a year which saw unemployment reaching very high levels, a year which saw the morale of our people at a tremendously low ebb. The Estimates then should seek first of all to rehabilitate the productive sectors of our economy and get them going again. The Estimates should also direct resources from other areas to these productive areas in order to stimulate growth there, with the result being increase in employment, but at the same time the Estimates have to ensure that the safety net which was built up over the years to protect the more disadvantaged groups in our society is maintained.

We would not be properly served if we neglect the welfare aspect of Government's programme, because a lot of us in here have reached positions in this country because of the welfare programme which was built up over the years in terms of education, health and other services, so any attempt to interfere with these services would in the medium and long term not be to the benefit of our beloved country.

Sir, the Estimates should ensure that a proper maintenance programme both in terms of our roads, buildings and so on is carried out, because down the line we do not want to get the situation where after we may have recovered from the severe economic problems to find that we have to spend $100 million rehabilitating our roads, our public buildings and so on. We have to ensure that in spite of the difficulties resources are still put in these areas to ensure our long term survival as an economy.

Sir, these are things that the Estimates should seek to do. I want in the time that is allotted to me to show that the Government has indeed fallen down in these vital areas. The Estimates must be judged against this theoretical framework and I will attempt to show where the Government has erred. I will further want to show that we have not learnt from the mistakes of the past but we continue along our merry way to eventual ruin.

Before I get into the Estimates proper, we have to spend a lot of time looking at the background to the Estimates, because this is the first time we are having Estimates where our economic programme is not entirely our own but, to a large extent, has been dictated to us by foreign agencies. Everybody knows that the Letter of Intent which has been circulated to members of this Senate has some far-reaching proposals with regard to our economic management. So I want to highlight a few of them now. The first I want to highlight is the fact that the Government and the Central Bank – the Central Bank is a co-signatory since the Governor of the Central Bank has co-signed the Letter of Intent – have agreed to balancing the Budget in this coming fiscal year. They also agreed that in the 1991-92 Estimates the deficit should be only 1% of GDP which amounts to $35 million.
12.25 p.m.

Sir, I want to submit that the Central Bank and the Government were over ambitious in this regard. I further want to say that there is no particular merit in a developing country seeking to balance its budget. I am not sure it is sound economics.

In our history we have never had a zero budget deficit. If the Honourable Member wishes to bring a year I will gladly give way and let him. It is the first time that we are on this road. I wonder why we are moving from a situation where we had a record deficit 2 years ago to where we are trying in 2 years to have a balanced budget. The adjustment period is, in my view, too short. Even if you argue that you want to maintain a balanced budget, why seek in 2 years to have a zero deficit, after coming from a record deficit? The costs in doing that are enormous and the benefits derived therefrom are not substantial.

Sir, when you balance a budget and at the same time send home 4 000 or 5 000 people in the public sector and you have to increase all levels of taxation with the consequential result that the private sector has to send home people because of the decline in demand, when you increase unemployment to these high levels in order to balance a budget, I would submit that the costs far outweigh what little benefit there is. This does not mean that we can go on forever running high deficits. On the contrary, there is an old Barbadian saying that, "too far east is west". You cannot move from record levels of deficit and try to balance the budget in 2 short years. I wonder why Government has found itself roped into that situation. I believe that the influence of the Central Bank was very great in this regard.

Secondly, Sir, I want to talk about the interest rate policy. My party is on record as saying that the high interest rates policy in the early 1980's was the worst aspect of the programme in the early 1980's. If you look you will see that we only allowed interest rates to stay high for 2 years, and we will admit it was far too long because the effects on the economy were tremendous.

Sir, you must also remember in 1982 the high interest rates that prevailed were matched by our main competitors in the international community. Interest rates in Barbados were high in the early 1980's. They were also high in the United States of America, in Canada and in Europe. There is an economic argument that, if your competitors have high interest rates, you cannot afford to have low interest rates because then you will not get the benefits of the transfer of capital. So you always try to maintain some balance between your interest rates and what prevails in the rest of the international community. What is happening now, Sir, is that whereas in the United States of America they are bringing down their interest rates to about 6% or 7%, we in Barbados have our rates about twice that of the United States of America. Our rates are higher than Britain's which has traditionally maintained high levels of interest rates. Our interest rates are much higher than Japan's and a lot of our other competitors. The result is that while we should be rehabilitating our manufacturing and tourism sectors... Both these sectors need an ongoing programme of refurbishing and rehabilitation but the cost of doing so is extremely high because of high interest rates. Our hotel sector and our manufacturing are not able to take advantage of what little remuneration there is in the world economy because of the high interest rates policy.

I call upon Government to re-examine its interest rates policy with a view to bringing it down to more sensible levels as soon as possible. There is no advantage in maintaining high interest rates. If you note, high interest rates are causing the people of Barbados to pay more taxes because if you look at the debt repayment schedule the interest rates component of the debt repayment has increased by close to $90 million.

We have $500 million in Treasury Bills outstanding and the interest rates on Treasury Bills – if I may quote from the Central Bank Report of February:

> "...Over the past 2 years have increased from about almost 6% to now it is over 11% at December of 1991. That 5% of 1% increase in interest rates is causing us to pay over $25 million in..."

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, on a point of order. I am not raising a point of order to interfere with the gentleman's presentation, except to point out the very point he is making is taken care of because in the presentation of the Prime Minister in the other place the way the Estimates have been framed will ensure that there is a substantial reduction of the use of funds from the Central Bank to the extent of some $95 million. So all the arguments he is making only serve to confirm that the Estimates as presented here are very correct.
12.35 p.m.

SENATOR T. E. BARKER: Sir, I was talking about Treasury Bills. He is talking about something different.

SENATOR THE HON. L. V. H. LEWIS: I am talking about a reduction in the borrowings from the Central Bank and by Treasury Bills to be reduced by $95 million.

SENATOR T. E. BARKER: Sir, the point I am making is that whether you reduce it or not you have paid in the last year, as a result of the increase in Treasury Bills rate $25 million to $30 million more in interest alone. That is the point I am making that because of the high interest rate policy the citizens are called upon to pay more in the rate of taxes in order to meet the interest on the debt. If we can get interest rates dropped there would be a consequential decline in the amount of interest you have to pay. The result would be that Government expenditure would also fall.

On the other hand, if the Government continues its policy of high interest rates – there is even talk about letting interest rates find the market level. We know what that means. In Jamaica you have interest rates of 30% and 40%. If the Government ever goes on with that policy of allowing interest rates to find its market level it will ruin the whole country. It will ruin Government in terms of its expenditure and it will continue to ruin the private sector.

There is one thing I am clear on that there is no justification for a high interest rate policy in Barbados given the fact that the trend in the international community is for a decline in interest rates. Until Government reassesses its interest rate policy, then any progress in the country will be delayed by years. Not only are the high interest rate policies hurting, but the credit restrictions which were imposed towards the end of 1989 are having damaging effects on the business sector at a time when we want the manufacturers, agriculturalists and the tourist sector to expand and improve their sector in order to meet our international commitments. When this is happening the same time you are telling the man he cannot get credit.

I will never forget last year in December the National Oil Company had to suspend drilling operations because they could not find three quarters of a million dollars in credit in order to keep on drilling wells. I remember I was speaking in private to a senior officer at the Central Bank and he was defending the policy. He was saying that one had to make sure that there was no credit in the system. I am saying that credit restrictions are necessary but you cannot impose them across the board. You have to be selective in the imposition of credit restrictions.

The oil sector, by its drilling programme, would save the country times that amount of money in terms of lessening the demand for imported oil. The National Bank which is the banker to the oil industry, could not find the money to lend the oil industry. I note last week, they found the money to lend the Barbados Marketing Corporation to import sugar. That was on the News. Credit restrictions: Although at one level you have to reduce the amount of credit in the system it cannot be applied across the board. You have to allocate it according to your national objectives.

Aside.

SENATOR T. E. BARKER: That is exactly the point I am making.

Mr. DEPUTY PRESIDENT: Address the Chair, please.

SENATOR T. E. BARKER: It must be selective to promote the sector you want to promote, not to promote the importation sector but the productive sectors.

Then, Sir, another aspect of the Letter of Intent which has to be reassessed is the removal of subsidies. I am talking especially of the removal of the duty-free concessions to the manufacturing sector. I do not understand where this policy could have come from. How could you, in a world where almost every other country is subsidising their industry, be so mad as to impose these unnecessary conditions on industry at a time when the IDC raised rents by 33 1/3%.

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, who is the Honourable Member referring to as "you being so mad?"

SENATOR T. E. BARKER: Sir, I withdraw the word "you" and say "one". If one does that one has to be mad.

Sir, the removal of this concession came at a time when the IDC had increased the rents by 33 1/3%. Only yesterday I was reading the debate on that where the Honourable Senator Clarke challenged me on whether

it was 33 1/3% or 35%. Of course, he lost the argument, as he will lose many more. But the fact remains that IDC increased rents by 33 1/3% and at the same time you remove what little concessions there were.

Sir, you must look at these concessions not in isolation, but you must look at them in light of the high level of indirect taxation there is in the country. In other countries the level of indirect taxation may be low. Even if the manufacturers have to pay duty on the raw materials and packaging, it is at such a low level that the effect of these taxes on the final price is low. But in Barbados, we have import duties, consumption taxes and stamp duties. All of these are imposed on imported goods. Therefore, the point I am making is to compare Barbados with another country without looking at the level of indirect taxation has to be wrong. When the World Bank, the IADB and others are suggesting that these concessions be removed they are failing to take into account the high level of indirect taxation that is prevailing in this country.I have difficulty with these international organisations because, invariably, they do not understand the workings of our economies. They send down their so-called experts from Washington or wherever, who come down here and neither understand nor do they make a strong effort to understand the real working of the economy. They write whatever they like and any first year student in Economics can pick holes in the arguments they are making because they are bringing solutions from the developed world and want to impose them without any adjustment on our economies. I believe it is time for our local economists, in Government and wherever, to be more involved in the formulation of these programmes.

A lot of the things I see in the Letter of Intent indicate to me that there is just a lack of understanding about the inter-relationships within the economy. I see a lot of it as impositions of first world economics on what is basically a developing open economy. These things I highlighted in the Letter of Intent have affected the Estimates in a fundamental way. A lot of what we see in the Estimates for 1992-93 is a direct result of this Letter of Intent, otherwise called a letter of discontent.

Sir, before I go further into the Estimates, I just want to step back a little bit and talk about what happened in the 1991-92 year. I am at page 1 in the second amendment. There are lots of amendments to the Estimates. I want to highlight a few things. We had Estimates last year and they projected that the Current Revenue would be $977 million. Then on April 2, last year, the Minister of Finance introduced a stabilisation tax and other taxes which were supposed to have resulted in a total revenue of $1 061 million. Then in September he raised more taxes both the stabilization tax and some more indirect taxes and the result of these tax increases was to bring in a total revenue of $1 045 million. We had, at April 2nd, $1 061 million was the projected figure. He introduced more taxes in September and the result was that the expected revenue was to have declined as a result of the introduction of more taxes. I do not understand because if you read the Senate Debate in September, I raised this same point, where the arithmetic of it had me extremely worried.
12.45 p.m.

I beg your pardon, Sir.

Mr. DEPUTY PRESIDENT: You may proceed.

SENATOR T. E. BARKER: Thank you. What has happened during the year? We saw , Sir, that for the first six months of the present fiscal year, 1991-92 that revenue was going at 16% above what obtained in the previous financial year. We were on target for something like $1 100 million in current revenue. By December the revenue was 10% above what obtained in the year 1990-91, probably as a result of the Budget of September. But it was still 10% above what transpired the year in front. The arithmetic of it tells me that in the last quarter of the present fiscal year, in other words between January and March, you had a tremendous contraction in revenue. If you were on target for 10% above what it was the year in front and you end up with only about 5%, it means, Sir, that the measures that you brought in in September have caused a contraction in the tax base. Because do not forget most of our taxes come from spending. So that when you reduce spending obviously there is a consequential decline in the revenue.

For the last quarter of the present fiscal year we had a severe contraction in revenue obtained. I am of the view, Sir, that the revenue raising measures imposed in the Budget of September last year were totally unnecessary. They have not increased Government revenue. If anything, they caused a decline. Because it is interesting to note that the $1 045 million that was anticipated in September was not even realized. We only realized $1 012 million. So there was a severe revenue contraction. I will always maintain that the revenue raising measures imposed in September last year were totally unnecessary. What was called for was some expenditure restraint. The expenditure restraint was called for but the revenue raising measures were unnecessary as the outturn figures show.

In the presentation of the Estimates I am at a loss for this simple reason. Last year we had 2 Budgets after the Estimates. In my view it does not make sense comparing estimated figures for this year with estimated figures for last year. What should have been done was that the revised revenue figures should have been given in the Estimates because I then would be in a better position to see if the projected revenue of $1 077 million could in fact be realized. My view is that based on what happened in the

January to March quarter of 1992 the figure of $1 077 million that is anticipated for the present year is not going to be realized. That is my personal view that it is ambitious to expect a growth in revenue this year when it is not anticipated, in spite of what the Central Bank is saying, it is not anticipated that there will be any increase in real GDP this coming year. I find it difficult to see how we can expect with all the lay-offs and with all the salary cuts, with all the contraction... I do not see how we can expect that there is going to be growth in the economy this year. I hope I am wrong. But my common sense tells me that this year we are looking for another 3% or 4% decline. I hope I am wrong. For the sake of the country I hope I am wrong.

Sir, Government is expecting revenue for March this year, this present month to $459 million. In my view this is a figure for the IMF. In other words Government is mandated to have a deficit of $35 million. So we are going to get $35 million by putting a figure which is, in my view, unrealistic. Because if you only had $129 million last year – and I mentioned that there is a contraction in the first month of this calendar year. How can you expect revenue in March to be $30 million more than it was last year? That calls for a lot of explaining. I do not expect an explanation in here, Sir, because I do not ever get things explained in here.

Aside.

Mr. DEPUTY PRESIDENT: Address the Chair please.

SENATOR T. E. BARKER: Government has to look at its revenue projections again. I know the Prime Minister said that forecasting is not an exact science. But then, neither is medicine. But the point remains that common sense might be one of the best methods of forecasting. Common sense and looking at trends. Trends indicate that the revenue figures are ambitious. They are overly ambitious and they are not supported by reality. The reality of the situation is that as the economy declines your tax base is going to decline and hence, you should not expect any increase in revenue.

Sir, looking at the last year I want to look at the expenditure for 1991-92. According to page 1 of the Memorandum, if you add current and capital expenditure the figure is $1 247.1 million, a total expenditure $1 247 million. But the point we have to make is that the debt repayment was something like $377 million last year. As the Minister was saying a large chunk of the total expenditure goes towards debt repayment. I want to reiterate my point that a sensible interest rate policy can knock a cool $60 million off of this figure. Because a good interest rate policy would obviously lesson the amount of interest you pay, especially when we note that the domestic component of our national debt is rising. That component is going to be very much affected by local interest rates. 12.55 p.m.

Sir, while we are on to expenditure, the Party which I have the honour and pleasure of representing has from 1988 been saying that there is need to contain the growth of public expenditure in Barbados. We are on record as saying that. Events have proven us right, but I take no pleasure in saying that we are right. Sir, when we talked about expenditure restraint, what we meant was this, that if you are serious about the management of this country you will not undertake projects with no economic content or viability and that you make sure that if you spend $1 million, firstly it is well spent, and secondly there are going to be positive returns for that million dollars spent.

I do not understand, Sir, if that is the principle governing Government's expenditure, why the Sherbourne Centre... Sir, about $30 million or $40 million of the taxpayers money has gone into that project and this Honourable Chamber will agree with me that it is a national disgrace and scandal that that project, especially the way how that project was conceived and executed, is a national disgrace. At a time when we are cutting money for the Child Care Board, when we are cutting money for the Queen Elizabeth Hospital, when we are cutting money for the Geriatric Hospital, when we are cutting money for the text book loan scheme, for the school meals, we have $30 million of my money and your money out there lying down idle with little or no way of even finishing the project because I doubt the project is going to be finished in this decade. The point remains that this project ... Sir, it may be necessary, I don't know, but the point that must be made is that as a country we have to cut the suit to fit the cloth and the money was not there for such an ambitious project and we should never have undertaken it.

Sir, there are other points I wish to talk about after the resumption.

SUSPENSION

SENATOR THE HON. L. V. H. LEWIS: Sir, that is an appropriate occasion to cut whatever is to be cut. I therefore beg to move that this sitting be suspended until 2.00 p.m.

The question that the Senate be suspended until 2.00 p.m. was put to the Senate and agreed to.

RESUMPTION

Mr. DEPUTY PRESIDENT: This sitting is now resumed.

SENATOR T. E. BARKER: Mr. Deputy President, just before the suspension I was dealing with the expenditure for 1991/1992 and I was highlighting some projects which Government had undertaken and which have proven not to be in the best interest of the country at the present time. I was highlighting the folly of spending $30 million to $40 million on Sherbourne and I will now go to another area of government expenditure which Government went into unwisely. This is the St. Joseph Hospital. Much has been said about that and much will be said in the future.

Sir, we in Barbados should be grateful to the Barbados Labour Party in 1985 ...

Mr. DEPUTY PRESIDENT: What Head are you on to?

SENATOR T. E. BARKER: Sir, I am talking about the expenditure.

Mr. DEPUTY PRESIDENT: Yes, but which Head are you on?

SENATOR T. E. BARKER: This is the memorandum, Sir. I am highlighting the expenditure items for 1991/92 as given in page 2 of the Memorandum.

Sir, page 2 talks about current expenditure and capital expenditure and Sherbourne must fall into ...

Mr. DEPUTY PRESIDENT: You have got to give me the Head under which you are talking. That is all.

SENATOR T. E. BARKER: Sir, I am not talking under a Head as such.

Mr. DEPUTY PRESIDENT: But you must talk under some specific Head.

SENATOR T. E. BARKER: Sir, I am talking on the memorandum of the Estimates.

Mr. DEPUTY PRESIDENT: Let us hear the Head you are speaking under. That is all I am asking.

SENATOR T. E. BARKER: Sir, I am speaking under expenditure. This document is the cover to the Estimates which was sent to us as a supplementary...

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, I think I would like to assist the Honourable Member. He is speaking on the Appropriation Bill. He cannot speak on the Estimates itself, even although they are laid. It has to relate to the Appropriation Bill. It is very simple, Sir. All he has to do is call the Head.

Mr. DEPUTY PRESIDENT: Just as the Minister had been doing, each time as he was speaking he referred to the Head.

SENATOR T. E. BARKER: Sir, I was taking a macro view of the...

Mr. DEPUTY PRESIDENT: All right, now that you know, let us have the Head and proceed. Senator Barker let us have the Head and proceed.

SENATOR T. E. BARKER: Sir, I will have to look for the Head. Head 34 or 36.

Mr. DEPUTY PRESIDENT: No, No, No. You have to identify the Head. You are the speaker.

SENATOR T. E. BARKER: I will, Sir. Just give me time. Sir, Ministry of Health, Head 36. Sub-Program 4, page 75 – Grants to Public Institutions. Sir, we notice that in 1990 to 1991, $8.2 million was given to that public institution and in 1991/92 $2.25 million went to that institution. In 1992/93 it is estimated that $2.06 million is budgeted for that institution which makes a total of over $12 million in the last 3 years, either was spent or will be spent on the St. Joseph Hospital, plus some other money. I am not sure if the purchase price was in it, but the point is, that in the last 3 years, $12 million was spent up there. What do we have to show for it? It has not yet treated a stumped toe, Sir. When it was purchased, we, the people of Barbados, were led to believe that we were purchasing a going concern. We were not told that we would have to spend so much money on it after we purchased it to make it operational. Sir, the question I want to ask is, what is the justification for spending $12 million in the last 3 years on a hospital when there is little or no prospect of it being opened in the near future.

Sir, another serious point is, at the time when you are sending home thousands of people in the public sector, how can you justify paying salaries for people employed at the St. Joseph Hospital when it is not yet operational? That is the point, Sir, that must be answered. The people of Barbados demand an answer to that question. How can you continue paying them salaries when you are sending home, by Government's admission, over 2 000 persons from the public service? By their own admission, 2 000 persons, but I believe it is more. Still they are paying people down there for doing, in my view, nothing because no patient has yet been treated at that hospital since Government took it over.

I could go on, Sir. Another area of expenditure that I can highlight is the polyclinic at Black Rock. Sir, it is a known fact that the present polyclinic which is on the ground of the Psychiatric Hospital is too small to service the need of that massive population centre. It is a

known fact that you have to find additional space to cater to the needs of the people in the Grazettes and Deacons Road and Eagle Hall and those areas. Sir, the question must be asked. You have acres of unused land in the same complex so that what should have been done is the present building could have been extended to cater for the increasing population. You have acres of land there that could have been utilised for the provision of health care services. What did they do, Sir. They went down the road and they bought more land and put up a building. What now do you have? You have a building where there is little or no car parking and you are talking about a polyclinic which is to service an area of many thousands of people because that is a massive area. There is little or no car parking and there is no provision for extension down there. But they left their land at the hospital and they went and bought somebody else's land. They then put up a building from scratch when for a fraction of the cost you could have got the same increased space to service the needs of the people. Sir, we cannot afford that amount of waste in this country and we are paying for these excesses.
2.05 p.m.

Sir, Government started a polyclinic up there in Gall Hill, St. John. Polyclinics and schools are not to be allocated without taking into account the geography of the area and the demography of the area. There is no sense putting up a polyclinic just because you want one in that parish. You have to look in terms of communications and all of that. This Government decided that St. John must have a polyclinic so they went and started a building. Sir, at present the building is not hardly up from the ground and the work had to stop. This is another example of expenditure that has gone mad. Why did they have to start the building at a time when everybody knew that expenditure restraint was called for? What benefit is it in having half finished buildings across the country? No amount of scorning will detract from the point that Government has not been prudent in its spending and we are in trouble today because they would not listen.

Nobody wants Government to cut its expenditure in the area of the social services. Nobody would want that. Nobody would want Government to cut its expenditure in the area of education. But we are saying, Sir, that you have to make sure that your expenditure does not grow by an excessive amount because it is inevitably going to put pressure on the balance of payments and the foreign reserves. It is an economic fact.

Sir, another example is the St. Thomas School. Quite a few millions have been spent and they have had to cease construction at the St. Thomas School. There are about 6 projects that Government has started and just cannot finish. The result is that whenever they go to restart the projects, as they must because it is money already spent, there are going to be enormous cost overruns which we, the taxpayers, will have to meet. I am saying, Sir, that 1991-92 showed us the effects of the over-expenditure by Government.

Sir, I now turn to the source of financing of the deficit which resulted. I want to make the point, if I may, that part of the problem in 1991-92 was that for the first time we were transferring from Barbados to the developed world. I make this statement because, in terms of page 2 of the Memorandum, we received $24.4 million in foreign loans and financing. The amount of $24.4 million was the projected receipt up to March 31, 1992. Sir, I want to suggest this was at a time when our foreign loans, amortisation and interests were $146 million. In other words, $146 million was taken out of Barbados and went to repay our debt. The net out-flow in the order of $120 million was too great. If we knew that we were going to spend that money repaying loans, we should have ensured that a great proportion of it came back in terms of foreign financing. Sir, maybe Government was in a position like it was 2 years ago when it was trying desperately to raise foreign loans but could not. But the point is that we have used up a lot of our foreign exchange in this present fiscal year repaying debt and the interest thereon without getting any funds flowing back in. The result is that we are net exporters of scarce capital. If that continues, Sir, we will continue to have foreign exchange difficulties. As a result, in order for us to finance the deficit of $235 million, we had to resort to a lot of domestic financing. Sir, the figure of $175 million was given for domestic financing and this included the sale of shares. We received $48 million for the sale of shares during 1991-92.

Sir, I want to make the point that, while I have been in here on many occasions, Resolutions came to us to approve the sale of disused baths for $2 000 and $3 000 from all over the country. We had many Resolutions where Government wanted to dispose of disused baths and we in this Chamber have to give our approval. Sir, $33 million in our shares in the Barbados External Telecommunications were sold and the people have not as yet been told of the details of that sale. I am saying, Sir...

Mr. DEPUTY PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I am sorry to interrupt the Honourable Senator. I think he is trying to imply that we are doing something illegal or underhand. By law, we are required to indicate to whom we are disposing of certain property. In this case, there is no legal requirement for this. I think it is erroneous to give the impression that we are doing something which is not quite right.

SENATOR T. E. BARKER: Sir, the Honourable Minister is perfectly right. They can do what they like with the people's property. But I feel very upset, Sir.

Mr. DEPUTY PRESIDENT: I do not think that is what the Honourable Minister said. So do not misquote the Honourable Minister.

SENATOR T. E. BARKER: I was just giving my interpretation of his point of order.

Mr. DEPUTY PRESIDENT: Do not misinterpret. Thank you.
2.15 p.m.

SENATOR T. E. BARKER: Mr. Deputy President, the point must be made that although Government had a legal right to sell the shares, at what price it liked, to whom it liked and under what terms it liked, yet there is a greater moral law which states that if you are going to dispose of a property that is not yours the owners of that property should at least be told of the conditions under which it is sold and to whom. We are told that Barbados External Telecommunications Ltd. was exempted from paying capital gains tax which was at least $5 million.

Aside.

SENATOR T. E. BARKER: It was given this massive exemption.

Mr. DEPUTY PRESIDENT: Did you say that it was allowed at least $5 million of exemption from capital gains?

SENATOR T. E. BARKER: Sir, I am speculating.

Mr. DEPUTY PRESIDENT: Well, do not just speculate like that.

SENATOR T. E. BARKER: Sir, I am suggesting that the capital gains tax on that $33 million could have been in excess of $5 million. If the Honourable Senator has the exact figure I would be glad to hear it. If I am wrong, tell me what it is.

BET was exempted from capital gains transfer tax on that transaction.

Mr. DEPUTY PRESIDENT: In the first place there is no capital gains tax. What do you mean?

SENATOR T. E. BARKER: The point is that that transfer tax would have meant a tremendous lot to the people who lost their jobs, to the people whose salaries were cut. If we had that money it would have meant a lot to the revenues of this country. I am going to stick to that point that it was wrong to have given BET that exemption at a time when 2 000 public servants were sent home unceremoniously.

I notice, Sir, in the Estimates for this year, Government is divesting itself of $40 million. I wish to ask why, at a time when we should be talking about economic democracy and enfranchisement, is Government selling off its property in such a way that the residents of this country are unable to buy part of that property. I am sure that a lot of us in here would have been glad to buy some of those shares in BET.

Mr. DEPUTY PRESIDENT: Speak for yourself, please.

SENATOR T. E. BARKER: Some of us in here, Sir, have the finance and we would have liked to have availed ourselves of the opportunity to purchase those shares in BET, but were prevented from doing so. I am saying that when you are selling the Flour Mill and Arawak and others, as said in the Letter of Intent, that you should allow the citizens of this country a chance to buy into these ventures and hence widen ownership in this country. I am sick and tired of people from God knows where coming in here and taking over our country. I am told that at BET there is a recolonisation process where BET is bringing in managers from all over the place and local Barbadians who should be advancing in that corporation are denied the opportunity of advancing.

SENATOR THE HON. L. V. H. LEWIS: The Honourable Member must not make that sort of allegation unless he can substantiate it. In this instance, I am certain he cannot substantiate it. Far from that, the expatriate managers are leaving. So he knows it is not true and he knows, Mr. Deputy President, that locals have been appointed both at BET and at BARTEL.

SENATOR T. E. BARKER: Sir, I am told they are coming in by the plane loads. If my information is wrong...

Mr. DEPUTY PRESIDENT: Who are? I am a bit lost here. I do not quite follow what you are saying.

SENATOR T. E. BARKER: Sir, when the Honourable Senator interrupted me I was talking about the recolonisation process.

Mr. DEPUTY PRESIDENT: Recolonisation process? I am a bit confused now. I do not understand your line of thought.

SENATOR T. E. BARKER: What I am saying, Sir, is that because of the change of ownership at BET and because Government no longer has a big interest in BET we are getting recolonisation where a lot of the managers are coming in from England and such places. Sir, I want to go on. I do not want to get bogged down into these trivialities as Honourable Senators would like me to. I want to talk about the Estimates for 1992-93 in some detail.

I want to look at the personal emoluments because there I find an interesting picture emerging. When I first got the Estimates, the Schedule of Personal Emoluments were calculated at $414 million. Subsequently that figure in the supplementary letter was reduced to $365 million. The Prime Minister in the other place said the changes were the result of an error made by the accounting officers where they did not incorporate the 8% pay cut. Arithmetic was always my strong point so let us go through an exercise now:

In 1991-92, the approved figure for personal emoluments was $375.789 million. It has been reduced to $365 million and according to this information this is a 22.3% decline. If the figure was only declining to reflect the 8% cut, 8% of 475 is 38 so the personal emoluments should have been reduced by $38 million dollars.

SENATOR THE HON. L. V. H. LEWIS: On a point of order, Sir, the Honourable Senator obviously does not understand what he is talking about. It is not as simple as to take a number and do a multiplier and arrive at a number. The way personal emoluments are arrived at is based on the actual amounts payable to the persons holding the posts at a specific time. So you cannot take a number and do a multiplier or a divider by any 8% and arrive at the number because it has to do with who is holding the post. One person may hold it one year and another may hold it and it may be reduced or increased substantially based on the actual pay of the individual. So you cannot look at one year and compare it against another by any percentage.

SENATOR T. E. BARKER: Sir, if the discrepancy was in the order of $2 million to $4 million, I would take the Honourable Senator's point readily, but not in the order of $72 million. Come on! Not a $72 million difference. It cannot account for so much.

Mr. DEPUTY PRESIDENT: All right. Maintain parliamentary language, please.

SENATOR T. E. BARKER: If you added on $10 million more (and it cannot be near $10 million because different people are holding the post) you still have $62 million to account for. That is the point I am making. That intervention did not help the Senate.
2.25 p.m.

Sir, I also know that the chain will also reflect the fact that by the Prime Minister's admission, 2 000 persons were sent home.

Aside.

SENATOR T. E. BARKER: You would not let me finish. You jumped in before I was finished. The next time you must wait.

Mr. DEPUTY PRESIDENT: Senator Barker, will you please address the Chair? Ignore the asides and proceed.

SENATOR T. E. BARKER: Sir, the point I am making is the Prime Minister – I am going by his figures – says 2 000 are going home from the Public Service. Note that these people were mainly at the lower end of the salary scales, casual workers et cetera. Let us put it at an inflated figure. Suppose they worked for $18 000 a year, which is a high figure for people in that category, so 2 000 x 18 000 is $36 million. I am left to believe, Sir, based on the arithmetic of the situation, that these Estimates are suggesting that another 1 000 people will lose their jobs. That is the only way I can interpret it.

Sir, I will caution Government about any more lay-offs in the Public Service. We know that they have allowed themselves to be roped into impossible targets by the IMF but there is a social cost to unemployment. We must guard against the situation where we have people who are leaving school with high ambitions they have their "O" and "A" Levels and for 2 or 3 years they cannot find a job. It is going to damage their psyche. It is going to damage them for life if we do not be careful. While we are in here tossing about numbers, we are talking about people's lives. I do not think Government should even contemplate any more lay-offs. We have had too many already especially at a time when even the private sector, in spite of the record profits they are making, according to Senator Clarke....

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, on a point of order. I made no such statement. I just read into the record what the facts were. I said nothing about record profits.

SENATOR T. E. BARKER: Sir, the Honourable Senator read out a list of companies which made more profit last year than they made in 1990. He did it. Therefore, I can only infer that the companies are doing all this good. The inference is clear because he is saying the companies are doing well. I am saying in spite of the increase in their profits they are still laying off people.

Government can get away with laying off people if the private sector could have accommodated some of them. But at a time when the private sector is in recession too, when they are trimming their staff, I do not think Government should be sending home any more people. Too many have gone home already. There is a saying, Sir, that the devil finds work for idle hands to do. We have to be very careful with the army of unemployed out there. We have to do everything possible to refloat the economy in order to find jobs for them. I do not think that we understand the suffering that results from unemployment. To us it might be a statistic but to some people it is their very lives.

Sir, what is even more enlightening when we look at this year's Estimates, and this backs up a point which I have made on many occasions in here, that Government seems only to be interested in cutting the Personal Emoluments Vote. We note, Sir, that they are projecting an increase in Other Charges from $850 million to $863 million, a 1.5% increase. While they are cutting back on salaries by 23% they are increasing the other spending by 1.5%.

Sir, Senator Clarke has lectured me on many occasions. He told me when you increase the jobs the person also has to get a chair and paper to work with. The consequence is also true then. If you are sending them home then they must have less paper to work with. I do not see how you can be reducing salaries and wages by 23% when you are sending home half of the staff from MTW and still increasing the material they work with. It does not add up. You are reducing your salaries bill by 23% and there is not even a 5% reduction in the other charges.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I am sorry to interrupt you.

SENATOR T. E. BARKER: You really are not sorry, but go ahead.

SENATOR THE HON. Dr. C. D. CLARKE: I really am sorry because light entertainment in the afternoon after a good lunch is always welcome. I have no problems at all with that. In Appendix 4 – Economic Classification, I was at pains to point out that in Goods and Services the share has been reduced. It is now 9.7% down from 10.2% in the year before. There has actually been a decline in the provision for Goods and Services, not an increase. It is at page 4.

SENATOR T. E. BARKER: Sir, I am still maintaining my point. If you are decreasing salaries and wages by 23%, you have to show a corresponding decline. It is not going to be of the same magnitude but you should be showing some decline in the other charges on expenditure. You cannot expect wages and salaries to bear the whole brunt of the Government's reduction of expenditure alone. It should not be so.

Sir, I will go on. This year the Government is projecting a zero budget deficit net of amortisation in order to fulfil the requirements of the Letter of Intent. When we come to the finance item, there is something that bothers me. The Prime Minister has said on many occasions that he has not signed any agreement with either the World Bank or with the Inter-American Development Bank. Yet, Sir, the Estimates show that $43 million is expected during the year from IADB, $8.8 million from the World Bank, $9.6 million from the Caribbean Development Bank and $12.3 million from the European Investment Bank, among others. The question is, are we already in the structural adjustment programme? The Prime Minister has said they have not yet entered into an agreement but yet still under Financing we see $51 million from these two institutions. I wonder if there is not a conflicting message there. Senator Lewis could probably interrupt me and put us right.

Mr. DEPUTY PRESIDENT: Senator Barker, you address the Chair. You do not get into these side arguments for discussion. Just carry on with your debate.

SENATOR T. E. BARKER: Sir, we in this Chamber would love to know what is the state of negotiations with these institutions. We are hearing a lot of what they require. We have even seen the Preappraisal Aide Memoire which had in some things which I find objectionable as an economist because they are suggesting things like floating interest rates. The Prime Minister has said that there is no agreement. For the benefit of the Chamber probably the Minister, when he winds up, can give us an idea of the state of negotiations. Because remember, Sir, it is not negotiations between two men. It is negotiations between a country and an institution. Everybody in the country should be aware not only of the state of the negotiations but also the agreement thereof. It is not a secret matter. It is a matter which involves all of us. If we are getting money from these institutions then I take it to mean that we are in some agreement with them, although I wish we were not.

2.35 p.m.

We are only expecting $9 million from domestic financing. I am very glad that, according to this document, the Government will cease resorting to the local banking sector for domestic financing because, Sir, up until now the Government's Ways and Means is some $40 million above the legal limit. If you look in the Estimates of Expenditure you will note that under debt servicing last year whereas in the Approved Estimates we had allocated $2 million for interest on the Ways and Means, that was revised to $14 million plus and the figure for the interest on the Ways and Means for the coming fiscal year is expected to be $16 million. That represents an increase of $14 million on the figure for last year.

The question is, if Government is reducing its over exposure, why then are we allocating such a high interest payment on the Ways and Means. Does it mean that Government intends to keep the Ways and Means at a level which is above the legal limit? I hope not because this is something I spoke about here on some occasion and I remember there was an almost comic intervention by the Minister of Trade with regards to the law and man. But it is something that I feel strongly about, that if you have a law that everybody, including Government is morally

bound to keep that law. So if Government is saying it is not going to the local sector for domestic financing then I am at a loss to understand why it is that they have this high value. Do they intend to keep the Ways and Means at that high level. If they do, Sir, we in this Chamber should caution them that it is unwise for Government to be openly breaking the law in such a manner. It does nothing for the country. Because I even note that the commercial banks have taken the lead from Government. I was checking here in the position of the commercial banks and it is showing that the commercial banks from September last year are holding less, $20 million less in reserves than they are legally required to hold. The figure at December was $21 million.

I can understand the reason why they are in trouble because Government on two occasions in the last 6 months have raised the reserve requirement. Sir, it is still against the law. I hope that Government and the commercial banks would bring these two accounts within the legal limits.

I have spoken a lot about the Estimates. I now want to go on to some specific areas. Remember what I said originally, the Estimates must be judged according to how they seek to rehabilitate and stimulate the productive sectors among other things.

I want to go to a particular productive sector, one that I have a lot of interest in, that is, agriculture. I very much agree with the maxim that food comes first. Agriculture has been in decline, both sugar and non-sugar, for a little while. Since we are in a structural adjustment programme and since, as I said, Sir...

Aside.

SENATOR T. E. BARKER: Head 25, page 27. We are in a structural adjustment programme and the idea is to divert resources to the productive sectors to remove any hindrances to advancement. We are going to look now and see what is being done to the productive sectors. We will start with agriculture. Sir, the first thing I would say is that there is no clear policy on agriculture in Barbados. Government has no clear policy on agriculture. We see a lot of ad hocism and things left to themselves never get better. They always get worse. We have to decide what we want in agriculture. The important thing is that we have to decide what we are going to do with the sugar industry. That is the key question. What are we going to do with the sugar industry? Government is in charge of the affairs of this country. If Government decides in their wisdom that they are going to allow the sugar industry to die, we in the country would have to say: "We put them there to rule and that is their decision, we have to live with it. We cannot quarrel with them because we have put them there to govern." But, Sir, what we are getting are conflicting signals from the Ministry of Agriculture. The Prime Minister seems to be committed to sugar. But the Minister of Agriculture has not, with a strong voice, given us a clear idea as to what his personal position is with regards to the sugar industry. We are getting conflicting signals in this respect. The situation is such that, without Government's intervention, without Government's help, the sugar industry will die. Everybody knows that. Because the approximately $200 million debt is an albatross both around the necks of the sugar industry and the necks of Government. It reminds me that Shakespeare said: "Neither a lender nor a borrower be." This is a classic case where the lender is in just as much trouble as the borrower in this regard.

Sir, it is clear. If the sugar industry collapses and it cannot repay the debts, the National Bank would be in tremendous problems and the result is that Government would have to look for money to pay the depositors because by law the depositors of the National Bank would then become the Treasury's responsibility. It is not a case where the Bank can easily say, "Look I am going to foreclose." They can foreclose but what would happen is that they would end up in a severe loss position because the value of the assets of the sugar industry are much less than the indebtedness of that industry.

So when the legal manoeuvring which is going to take a few years has ceased, Government will find itself, if they win the case, owning a lot of estates with little or no commercial value and the public would be left holding the bag. It is in everybody's interest that something be done in agriculture to save the sugar industry. We should save the sugar industry for many reasons. The main reason is that our climate and our soil is best suited for the growing of sugar. Cotton, as everybody knows, is not a good crop for Barbados, at least not in the long run because the damage to the soil is tremendous, especially the way in which they are planting cotton now. As soon as the rain falls the good top soil rushes into the road and is irretrievably lost. In the short run maybe you can get away with growing cotton for a short time and make a few dollars, but then it will move back into grass. There are lots of reasons why we should stick with sugar. All of the reports are saying that with proper management the sugar industry can again be profitable. That is the key. Proper management with proper policies the sugar industry can regain profitability.
2.45 p.m.

Sir, we have the markets. We have the technology. All we need now is for Government to take the lead. I would never say Government should take its money and give it to the sugar industry. I am not advocating that. What I am advocating, Sir, is that Government work out with the sugar industry some method of long term financing, some measure of debt rescheduling which may or may not include some measure of forgiving some

of the interest that accrue on those loans. Something must be done. We have been saying this for the past 2 to 3 years but the Minister and the Ministry of Agriculture seem unable to come up with a viable plan. Even when there were two Ministers of Agriculture we still were getting no clear policy directives on the sugar industry.

Sir, they have reached the stage now where for the first time in my memory, we have to import sugar. Sir, we note the confusion that is caused by the importation of sugar. Sir, a lot of the venom is not because we have to import sugar from Guatemala; a lot of it is because we have allowed ourselves to get into a situation where we have to import sugar in the first place. That is where the anger is that we, as a country, have allowed ourselves to go to that position where we have to import sugar.

I am very serious, Sir, that with so much idle land about the place, and a lot of it is owned by Government. All over the country Government has a lot of idle land which is vested in the ADC that is just growing bush. At the same time, Sir, we have the call-in programme which is dominated by sugar imports from Guatemala, where, Sir, we hear one of the biggest retailers telling the people of Barbados that some of the sugar is not fit for human consumption. Whether or not he is right is beside the point. The point is that it shows the national confusion that resulted from this act of importing sugar.

Sir, there are a few questions that must be asked about this importation. Why is it, in the first place, that the BMC is given the sole right to import sugar? Why the BMC? I know I am going to hear a lot now from the other side, but the BMC has never yet shown itself to be the organisation which is working to the benefit of agriculture in Barbados. I have made a statement, Sir, without hesitation, when there is a shortage of sweet potatoes the BMC imports sweet potatoes. When there is a shortage of onions the BMC imports onions. So the BMC in my view seems to be only existing when there are vegetable shortfalls, but when there is a glut and things have to be thrown away, where is the BMC. Is it only an import agency? I see no reason why they should be given monopoly over the importation of sugar. I will argue with anybody about that.

Sir, there is another point, that the reason why the price of sugar is so high in Barbados, is because the decision was taken by the previous administration that the sugar bonds which were guaranteed by Government and which the industry was not in a position to pay, that they were to be financed by increasing the price of local sugar over and above the cost of production and the money obtained therefrom would go in a fund so that when the sugar bonds become due there will be money there to redeem the sugar bonds.

Sir, I would like the Minister of Agriculture, when his turn comes, to assure this Honourable Chamber whether or not the large profits that the BMC is making on the sugar imports, whether or not some of it is going to go for the redemption of these sugar bonds. I want to hear from the Minister of Agriculture who has the overall agriculture policy. You do not deal with agricultural policy. The Minister of Agriculture deals with agricultural policy. At least I hope so.

Mr. DEPUTY PRESIDENT: Who is "You", Senator Barker?

SENATOR T. E. BARKER: Sir, that was an Aside.

Mr. DEPUTY PRESIDENT: Oh, well then you should not be speaking in asides. You address the Chair.

SENATOR T. E. BARKER: Sir, with due respect, he was talking so I just answered him.

Mr. DEPUTY PRESIDENT: Who is "He". I have said, you should address the Chair.

SENATOR T. E. BARKER: Sir, the point I want to make is that the Government has no right giving the BMC the monopoly to import sugar, because look what they have done. They can't even import sugar properly. Look at the confusion that has resulted. Sir, the fact remains that the BMC has messed up.

Mr. DEPUTY PRESIDENT: What is this language?

SENATOR T. E. BARKER: Sir, the BMC has not handled this business properly. Sir, I am told that there were two types of sugar imported. I would like to see the invoice. Sir, the public should be shown this invoice to see whether or not two grades of sugar were actually ordered. The invoice, Sir, would be revealing and the same way that I have seen a sample of the sugar I want to see the invoice. Then and only then would I be satisfied that a genuine mistake was made. If a mistake was made, let us see the invoice.

Mr. DEPUTY PRESIDENT: We have heard that, thank you.

SENATOR T. E. BARKER: Sir, the BMC is buying sugar at 35 cents a pound. I am told between 35 and 40 cents and they are selling it at 79 cents a pound. As I said before, the Minister has an explanation as to what is going to happen to the sugar bonds ...

Mr. DEPUTY PRESIDENT: Would you say that again. I did not quite understand. You tend to go quickly at times.

SENATOR T. E. BARKER: I was just saying the Minister owes us an explanation as to what is going to happen to the sugar bonds when they become due. Sir, I would like him to make a statement on that so the people of Barbados will know for sure.

Sir, while I am on to sugar, I notice that ADC is again getting a subsidy. Sir, I would want to know what is the position with regards to the Belle Plantation which is our land. Sir, what happened at the Belle is, at best, scandalous. I passed there and I saw lots of acres of sugar cane burnt. Sir, we know that the canes were burnt before the factories started operation. Sir, good agricultural management would suggest that the first thing you do is to cut down those canes and dump them anywhere because they are of no use and then let the ratoons spring back. I passed there up to yesterday the burnt canes are still there. The result is that next year you will have no crop in that large field. If that is any example, the ADC is showing to us, the people of Barbados, the folly of growing sugar. If they can't manage a little estate, and they have all the scientists up there. They have the access to all the research and so on. If they cannot manage a little estate like that, what are they telling the other plantation owners?
2.55 p.m.

Sir, I believe that ADC should be setting an example of what can be done in the sugar industry. But if what happened at the Belle is anything to go by, then both the ADC and the Ministry of Agriculture which controls the ADC are lacking of any ideas at all about agriculture. Sir, it hurts my heart because it is on the ABC Highway and everybody who passes can see. Whereas on some plantations you might get 3 or 4 crops, they are getting two at the Belle and that is a fact. Sir, do you know what the problem is? The problem is that every year ADC will call for a subsidy and every year we will come in here and give them the subsidy. In the same way that they can get a subsidy, why can Lancaster Plantation not get a subsidy? They are growing the same sugar. We are quarrelling about subsidizing sugar but our own estates every year we subsidize.

Sir, I have a view and my view is that ADC should be closed down immediately. That is my view and I am clear on that. The land that is now vested in the ADC should go back to Government. We have land lease schemes so that anybody who shows initiative and drive can get the necessary training and working capital. We can say to them this is a couple of acres. This is yours for as long as you show that you will pay me so much rent when the year comes and what you make is yours.

Sir, the Barbados Labour Party started its Springhall Land Lease Project. We know there are difficulties associated with that project. Only yesterday, the Minister of Agriculture was down in Haynesville opening a booth where the farmers from the Springhall Land Lease Project are now into marketing. They are growing the crops and they are bringing them up to Haynesville comprising that large catchment area of Oxnards, Husbands and so on to market their produce. If the Springhall Land Lease Project was such a disaster, would these farmers now be looking for markets?

Aside.

SENATOR T. E. BARKER: Thank you. According to them, they have made it a success. I have no problem with that. It is a success, but why not expand it? Shut down the ADC and let some more farmers get the Belle and other estates. The same success that you made of Springhall can now be made in other places on the island. So that at year end we will benefit by not having to take our money and give to an inefficient organisation like the ADC. They are serving no useful purpose. Sir, when the true story is known as to what really happened at the ADC, it would indeed be revealing.

Sir, there is scope for agriculture in Barbados. But when I look at the Estimates, I see no increased provision for water development. We are talking about diversifying. How can we diversify into things like fruits and ornamentals unless we develop our water resources. Sir, this is something that I spoke about on many occasions and I want to make a suggestion. Every day millions of litres of water are thrown into the sea from the Bridgetown Sewage Plant. We are now in the process of building a sewage plant in the South Coast area and in years to come another one will be built down on the West Coast. The water that goes into the sea is causing problems. There is a build up of algae which, we are told, is damaging the coral and eventually will damage the reef. That is what we are told.

Sir, in other countries like England and Israel, the water from the sewage system is treated and it is used for drinking. I am not recommending that. But what I am saying, Sir, is that the water is put back into the rivers up stream and down stream it is taken back out then purified. I am saying, Sir, I am not recommending that we mix up the water with our drinking water. But that water when it is suitably treated can be used for irrigation purposes. That is the point I am making. Sir, I am told the designs for the West Coast plant is in the process of being designed. That element can be examined. I am no expert. It is just a suggestion. It is just something that I feel. I could be wrong but I am sure the technology exists where that water can be used for irrigation purposes without any damage to the environment or to the health of this country. I am sure that I am right on this. We have to look for other sources of water.

Sir, while I am on water resources, I feel a little bit unhappy about the fact that Barbados Water Authority seems to be putting pressure on householders who use water for kitchen gardens. This has been a fact of life before I was a little boy. People always used the Government water to water their kitchen gardens. We have a slight problem there. We know that it is expensive to pump water. We know that, Sir, but for a lot of people their only source of income is from their kitchen garden. If they are forced to discontinue using water for this purpose, especially during the 5 months of the year when little or no rain is falling, they will have to give up agriculture. The result would be less food on the island and a lot of families would be deprived of incomes for that period. We have to look at both angles.
3.05 p.m.

I believe that the Barbados Water Authority should be using the extra money it gets from increased water rates, which is about 50% in most cases, to develop more wells. In the Scotland District a lot of rain water flows into the sea. The Water Authority in conjunction with the Ministry of Agriculture – because the Minister has responsibility for the Scotland District area – has to find a way to use some of the water and to store it so that when the dry season comes, and instead of people of Apes Hill and Orange Hill having to demonstrate to get a little bit of water, there will be water available.

While I am on that, Sir. How can you tell a person not to use the water for carrots when if you pass the roundabout by Simpson Motors you will see sprinklers watering grass 3 or 4 days a week. I do not see how the two can be reconciled. You are telling a man not to use water for carrots and there are people watering grass which in any case would have recovered as soon as rain fell. I find that contradictory. If you want to tell people not to use water for their kitchen gardens, you must tell whoever is responsible, because it is government property, to stop watering the grass. It is as simple as that. I would not be satisfied that while I cannot water carrots another man can water grass.

There is a lot that can be done in agriculture. The Ministry of Agriculture needs to wake up to its responsibility to provide the stimulus for increased agricultural production in Barbados. Sir, food security is as important as national security. The country that cannot feed itself will always be dependent. We have the potential in Barbados to feed ourselves. All we need is for Senator Lewis and his team to start working. I understand his problem because there were 2 Ministers prior to last January so he had to do the work of 2 men. His shoulders are big enough that if he puts them to any task he, the one man, will do the job that 2 men used to do. I trust his ability but all it needs is the will.

I want to move on to the area for which I have direct concern, that is, the question of...

Mr. DEPUTY PRESIDENT: What Head?

SENATOR T. E. BARKER: Sorry. Head 36.

Mr. DEPUTY PRESIDENT: Thank you.

SENATOR T. E. BARKER: Sir, I do not have to tell this Honourable Chamber about the importance of health. We are all aware of that. I want us to be aware that there is and will continue to be a growing demand for health services in Barbados for reasons which follow.

Our population is aging. We are getting more senior citizens in the community. As life expectancy increases that is a consequential fact. We know that our senior citizens make more demands of the health services of the country than the young. The very young and the very old make the most demands on health services.

I am told that the incidence of violence in our country is putting severe pressure on the Queen Elizabeth Hospital. That hospital is treating a lot more trauma cases, stabbings and such like. Not only that, the increased pressures of life are causing more people to suffer from hypertension and other stress related illnesses. A lot more diseases seem to be prevalent now than in years gone by.

These factors mean that we have to keep developing our health service as it seeks to cope with increasing demand. This is not the time for any cut in the budget for health.

We see that these Estimates are projecting such cuts all around. All the hospitals have cuts in their budgets over and above the 8% cut in salaries. What makes it worse is that a lot of the cuts are in areas such as on page 74 under Sub-programme 01: Queen Elizabeth Hospital, where we see that Supplies and Materials suffered a cut of over 3/4 of a million dollars. We see that Maintenance of Property has a cut of $170 000. Over the years, both Governments have spent a lot of money upgrading the facilities at the Queen Elizabeth Hospital to the extent that it is now one of the best hospitals in the region. We take pride in our hospital.

Sir, when you cut the Supplies and Materials and Maintenance vote what you are doing is buying machines costing $2 million and $3 million – I am sure the CATSCAN cost a few million dollars – and yet you are cutting back on maintenance. Instead of giving a thorough check every 4 months you might give one every 6 months. The result would be that when machines breakdown you will have saved a penny and lost a pound. Penny wise, pound foolish.

Mr. DEPUTY PRESIDENT: Senator Barker, you have five more minutes.

SENATOR T. E. BARKER: Thank you, Sir. If you are cutting, you should cut the $2 million that goes to St. Joseph Hospital and spend it on the Q.E.H. Don't buy expensive equipment and cut back on the Maintenance vote. At all the hospitals we see that the Maintenance and Supplies and Materials votes have been cut. This has to be wrong. If we ever get out of the problem that we are in, we will find ourselves back in the same problem because we will have to spend so much money to refurbish the hospitals that government expenditure will shoot back up. It makes no sense to cut back on maintenance. Not only in the Ministry of Health but all around we see the maintenance vote severely cut – on the highways, on government buildings. It has to be bad economics.

My time is almost ended but I want to tell this Honourable Chamber that I am not satisfied that Government has thoroughly planned its expenditure for the coming year. It seems not to have gotten its priority right. It does not make any sense cutting across the board. Cuts must be done in a logical, systematic way which reflects the objectives of the programme. The problem with these Estimates is that there seems to be no philosophy guiding them. We get the feeling that every Ministry must be cut by 10% or whatever figure, you go across the board and everybody is cut. You do not do things like that. You do not run a government like that. Those of us in business know that we do not run a business like that. There are certain areas that cannot be touched. While we, on this side, are advising Government to cut its expenditure, we do not like how Government has applied its knife. It is an indiscriminate knife. What it needed was a surgical operation. What we have is a butchering. I cannot support these Estimates. They have no direction or philosophy, just a wild stage cutting.

Thank you, Sir.

3.15 p.m.

SENATOR Dr. E. A. SIMMONS: Mr. Deputy President, I rise to support the Estimates for the year 1992-93. I had not originally planned to speak so early in the debate. However, there were attacks that have been made on an organisation of which I am the Chairman. In other places there have been attacks made on me personally. I thought I should, in addressing some of the issues raised by the last speaker, also take this opportunity to respond to some of those personal attacks and those made on the organisation of which I am the Chairman.

Now, the last speaker in his contribution made some very interesting comments. However, we must understand that we are living in a real world. I know he teaches Economics that deals with theory but we are living in a real world in which we are faced with not only in Barbados but in the Western World, the severest economic depression the world has seen since 1920. This is what the United States is saying. If you know of any time when there was a depression in the world since the 1920s that is worse than now maybe you can identify that. In one of his earliest statements he made the comment that the interest rate policies of the country were misguided because they were too high. He went on to say that he blames his own party for pursuing a high interest rate policy in the early 1980s despite the fact that...

SENATOR T. E. BARKER: On a point of order, Sir. I made the point that the interest rate policy was the most unsavoury aspect of our party's programme in the early 1980s. I never said I blame my party for it. That is what my party leader has said on more than one occasion.

SENATOR Dr. E. A. SIMMONS: The import is still the same. The Barbados Labour Party criticises itself for pursuing a high interest rate policy. You can disagree with the position they have taken in hindsight, if you want to. You have the right to do that.

Aside.

SENATOR Dr. E. A. SIMMONS: Therefore you are in agreement that it is a criticism of the policy pursued by your party, that it was a wrong policy. He did say it was because they were following the policies of developed countries. They admitted that despite the fact they were following the policy of developed countries, they have received no benefit from it. Now, we are in a depression. The Government of the day has decided not to follow the policies of developed countries. It has decided to try a departure from that. That is what is happening.

The economists have said that if we are to drop interest rates, it would stimulate manufacturing. He has said that the United States is pursuing a low interest rate regime but yet that is not stimulating the economy in the United States. The manufacturing in the United States is sliding down and every day. Two or 3 years ago the President of the United States was predicting an early recovery of the economy. One of the things his Chief Economic Adviser did about a year ago was to start to drop interest rates. There has been no response in that capitalist system to the dropping of the low interest rates. To say that dropping of the interest rates would stimulate the productive sector in a recessionary period is not logical.

I would like us sometimes to get away from the theory. It is all right to go in the classroom and teach economic theory to students but we have to look at the practical models in the world and see where things

are working and, if possible, implement them. Economics is not a science. That is one of the first things they teach you in elementary economics. It is not a fundamental science. There is a lot of theory associated with it. One of the things we have to be very careful about is that it is all right to get up and throw out these elementary theories but we are living in a real world. The fact is in this country we have tended to follow the capitalist economic theories. The world is in such a terrible economic state that communism has completely collapsed. That was one of the major models they had. It is almost no longer existent.

The economic model of capitalism is collapsing. If you do not believe that, watch what is happening to the big industries in the United States like General Motors that lost $4.5 billion last year and the collapse of Eastern Airlines. Pan Am that was the biggest airline in the world has gone through the eddoes. We have to understand that in a situation where the economies of the world are unstable, one of the things you have to do is go into a holding pattern. It is very easy to get up here and say you should not cut from Health, Education or the Welfare Department. The fact is that the economic model that we are following, the United States, has cut all of these.

I spent Christmas in the South of England. If you would go into England, our mother country, the economic climate is so bleak that 1 out of almost every 5 houses is up for sale and there is nobody to buy them. In every State in the United States there has been a cutback of public sector employment. There is a layoff in the private sector.

If you believe that the Barbados Labour Party or somewhere under the table there is some economic model that Barbadians can follow, where we can continue to have high public sector and private sector employment, I think you have another thought coming. It is not possible in today's world. One of the things we have to do while we try to keep employment at a viable level is try to ride out the serious economic time and look for viable alternatives.

There is another school of thought in this country that talks about privatisation.
3.25 p.m.

But, although, in the world today the whole world is moving to privatisation because privatisation if inextricably tied up with capitalism and the opposite to capitalism, communism has collapsed, the world, in general is moving towards privatisation. Not even the Soviet Union, because there is no longer any Soviet Union, even the communist countries today have what they call potential businessmen over the age of 60 in the United States learning capitalism to take back to their country. So we are moving towards privatisation.

But I will say something about the people in this country who are the avid supporters of privatisation. Whenever there is total privatisation or maximum privatisation I hope they understand that they have to be more efficient because if they are not more efficient, they are going to find that they will be working for people who move in and take over the economy of the country. I think a lot of the people who talk about privatisation think that once you privatise that it is a security net for them. It will not be. Because I will say the private sector people in this country who have been successful, have been successful because they have been protected for over 350 years within the system. Once those protective barriers are removed they are going to find that they fall into the same category as the people who work for them. But if you want privatization, when it comes you have to live with it. I think that there still has to be a model for developing countries. But we cannot be developing countries and want to be developed countries at the same time. I think we in the developing world have to try to find models for ourselves.

I wanted to make some of those comments because I think it is important that the people in this country understand that living in the year 1992 is not living in the year 1976. And there are people out there who are giving especially the young people of this country false impressions of what this country is. One of the basic problems we have is that when we were youngsters, most of us in here, there was something called a work ethic. All of us, as school children, had to get up on mornings and tend to the fowls, clean the pig pen and sweep the yard. The work ethic is not anything you learn when you become 18 years old. You have to learn the work ethic from elementary school and come up. In other words, what I am saying is that you have to be productive.

I have said this in this Honourable Chamber before. When I was a boy, we had craftsmen who went on as masons and carpenters and after 6 weeks they used to boast about what great craftsmen they were. That work ethic, that pride in what you produce is no longer present.

What I hope will happen under this present economic system is that people will again become aware of what a proper work ethic is. If there is one thing that we must learn from this strict economic enterprise system that we are undergoing is that we must emerge better people. We must become more disciplined people. I think it is up to us, as responsible people in this community, to tell the people the truth and to tell them we have to start to work again. We have to stop trying to be free loaders. We have to stop believing that you can go to work at 8.00 o'clock in the morning and sit down for 8 hours for five days a week and then get paid. You only get paid if you are productive.

The last Honourable Speaker raised a few issues that I want to address. He talked about the St. Joseph Hospital. I want to say that – I have said in other places – the first problem with the St. Joseph Hospital is that it should never have been closed. That was the first problem. Because, once you close an institution then you run into problems. But that is old hat. It was closed. It was reopened. You said that over $10 million was spent on the Hospital. And now you are saying: "Close it down. Stop paying the staff who is working there."

One of the things that we have got to understand in Barbados is that we are a little country that is blessed with a lot of brain power. We often do not behave as though we are blessed with a lot of brain power. Barbadians are very highly trained people. One of the problems we have is that we have very low self esteem. We have very negative images of ourselves. We spend days criticizing ourselves publicly for the rest of the world to laugh at us. You only have to turn on a radio programme in Barbados to see how Barbadians can inflict injury to themselves when other people outside in St. Vincent and Dominica and St. Lucia listen to us and hear us inflicting harm on ourselves. One of the things we have to work very hard on – and this is one of the reasons why our productivity has gone down as well – is having positive images of ourselves.

I am coming back to the St. Joseph Hospital. We in this little 21 by 14 have got an excellent collection of trained people in the medical services. One of the things we have to do is, that we have to sell health services, not only to Barbadians but we have to sell them to people beyond Barbados. Cuba, a country which we criticize all the time, a country which we think is in the doldrums, I happened to be in the Dominican Republic only a few weeks ago and the people from the Dominican Republic who used to fly to the United States for treatment are now going to Cuba because they have excellent health facilities. The health facilities are offered at a rate that the United States cannot compete with. These are the areas in which we must concentrate, we must look at seriously. That is why the St. Joseph Hospital is a futuristic facility and that is why we must not lay off the staff because we must look towards these kinds of areas where Barbadians can have a serious input.

With respect to the polyclinic in Black Rock, one cannot look at a health institution only in terms of a building. There is more to a health institution and delivery of health care than just the building itself. To say that you should put it on the grounds of the Psychiatric Hospital is to misunderstand the delivery of health care. One of the reasons that it was moved from there is because of the environment of the Psychiatric Hospital itself, in the Barbadian setting, because we still do not understand mental health in this country. Jenkins is a place where you do not go. One of the psychological barriers to the delivery of health care is that a person must not only be well in the body, they must also be well in their thinking.

Mr. DEPUTY PRESIDENT: Senator Barker.

SENATOR T. E. BARKER: On a point of order, Sir. I hate to interrupt the Honourable Senator.

Mr. DEPUTY PRESIDENT: It is a point of order, I believe.

SENATOR T. E. BARKER: Yes, Sir. I was not alluding to the fact that people were not going there. People were going there. People were using the institution. That is the point I was making. People were using it so much that it had overgrown its facilities.

Mr. DEPUTY PRESIDENT: Thank you, Senator Barker.

SENATOR Dr. E. A. SIMMONS: Mr. Deputy President, what I was saying was that I am not disagreeing with him that the clientele was overgrowing the facility. The point is that if you are going to deliver a higher quality care taking into consideration things other than just the injection of an individual or the weighing of a baby but you wanted to have the correct psychological environment in which to deliver that health care, then the place to relocate it would not be on the grounds of the Psychiatric Hospital, because we are living in 1992.

Aside.

Mr. DEPUTY PRESIDENT: Senator Barker will you stop interrupting the speaker. I permitted you your point of order. But do not continue a long drawn out speech like that *sotto voce*. All right. Proceed Senator Simmons.

SENATOR Dr. E. A. SIMMONS: Mr. Deputy President, I still go back to the point that where you deliver the health care is very, very important to the recovery of the individual. Yes, psychologically. You might not know this but a patient can go to one doctor and be given a particular medicine and not improve and go to a different doctor and be given the same medicine and because he has a confidence and faith in that doctor he takes the same medicine and he improves immediately. The delivery of health care does not only have to do with the tablet you are given. It has to do with a whole lot of other factors that have to be fed into the system. It is not as straightforward as you want to make it.

I want to move away a minute from health.

3.35 p.m.

You also talked about the use of water, although I would agree with you that I cannot justify watering the roundabout when you can't water carrots, I agree with that. I will say this, that we in Barbados need to look at the use of water more carefully. Barbadians tend to believe that water shortages only occur in Barbados. Water shortages occur over the world and when there are water shortages you have to restrict the use of water. I remember a few years ago, I was in England, and it was against the law in England for an individual to take a bath alone. In other words you had to take family baths. Everybody had to use the same bathtub water. That was against the law. They would announce it regularly on television because if there is a water shortage we have to understand that when there are shortages there are certain restrictions and certain inconveniences that we must undergo.

We, in this country, need some discipline. We have become an indisciplined people. I will say this in parenthesis, I was listening to the sports coming from the Stadium yesterday, Mr. Deputy President, and I was appalled that one of the commentators who was a former athlete, was complaining that the students from Springer Memorial had to go all the way from Government Hill to the Stadium to train. We seem to believe that everybody must have a cricket field in his backyard, an athletic track in his backyard, and that if you have those, these things will automatically make you become better.

You know what the facts of the matter are, that the children from the country who did not have any playing fields were doing better than the children from the town schools who had the playing fields right next to them. The best people we produce in this country, the Everton Weekes and the Clyde Walcotts and the Jimmy Wedderburns had no playing fields next to them. It is a matter of discipline and we have to get away from this idea of trying to make young people believe that everything is ready-made. It is not the children's fault. It is our fault. We have to take responsibility for it. Maybe we are the ones who need retraining and not them.

In terms of water use, I think there are some imaginative things that people can do and one does not have to wait for Government to do it. In many of the islands in the Caribbean there is no running water. People make their tanks, they collect rain water which they drink and they use for irrigation. Their agriculture is just as good or better than Barbados' and they have no running water.

We have to understand that we have to make appropriate technologies work in our country. This concept that this Government must deliver all the services is a misguided concept and even the United States of America, the most capitalist society in the world, is pointing out to its people that the Government will not provide all the services that you want, people have got to get up and help themselves and do not think that everything must fall in their backyards.

Mr. Deputy President, I want to spend just a few minutes. I am not going to delay this Chamber long. I want to spend a few minutes on what I started by saying there are personal attacks on me and the organisation which I happen to be Chairman of and that is the Barbados Marketing Corporation. I want to say something later on about the sugar. In response to what the last speaker has said I want him to know that he should pick up some of his documents and read them because to get in this Honourable Chamber and say that all the Barbados Marketing Corporation does is to bring in potatoes and sell them or bring in onions and sell them, is a very misguided concept of what the BMC is all about and what it does. When an Honourable Senator makes that statement anybody who hears him believes it to be the truth, but you did not say that the Barbados Marketing Corporation is one of the statutory corporations that does not receive a subvention from Government. It does not receive a subvention from Government but I want to say, Mr. Deputy President, we have a developmental role at the Barbados Marketing Corporation. We are in the export business of exporting, not only potatoes and other commodities, we export such things as breadfruits, ackees, gooseberries, these you don't hear about. The little man in St. Joseph who has breadfruit trees, we go down there and we pick the breadfruit and we export it and we put some money in his pocket. So this concept about the BMC just bringing in things to sell them is wrong.

We have a problem in terms of philosophy. There are farmers in this country who feel that it would be right to stop growing potatoes and go to St. Vincent or Dominica or wherever they want to and buy the potatoes and come back and sell them at a higher price and just make profit. We in the BMC discourage that practice because if we allow it to happen we will kill farming in Barbados. We have a controlling and developmental effect on agriculture in this country and only when there is a shortage we will allow the importation of such goods to supply the local market.

In terms of the sugar they are talking about, the BMC is not forgetful of the role that they have to play but I will come back to sugar later.

I have already made available to all the Honourable Senators the sample of sugar that P.S. International will be sending to Barbados. I want to sound a note of caution. I want to say something. We in this country are a responsible set of people. I am concerned when international people ... Now P.S. International are international traders on the world market. They trade from Africa, the Pacific, the Caribbean and Europe. They cover the whole world.

They have their own ships et cetera. I am concerned that when we take a sample of sugar and send it to the sugar authorities in this country and the report that comes back ... This is not our sugar, this is sugar that was sent from the traders that we are dealing with for analysis because the sugar people here set the standards. The BMC did not set the standards. When that sugar is sent to the sugar authorities here and the report on that sugar says that the sugar is inferior and the people then take the same sugar and send it to the world authorities to check it and they say, those inferior standards that are reported from Barbados are not correct, I only hope that that is an error, that a wrong sample was sent. That is the explanation I can give to that. I hope that is the explanation. Because if that is not the explanation, the people who are involved are giving Barbados a very bad name in the economic market because the international market is an intertwined market and if people get the impression that there are people in this country who are prepared to switch samples of goods to suit their own means then something is wrong with us as a country, if people find out that is happening. As I said, I take the explanation that the wrong sample was sent. I take that explanation and I hope that is the explanation.
3.45 p.m.

But let me come back to more germane things at home. Yesterday at 12 o'clock I happened to be at the sugar bond. While I was leaving, a gentleman by the name of David Seale came to the sugar barn and I got back out of my car and I went and greeted him. He said that he wanted to see the sugar. I said the barn is open and you can go in. Mr. Seale went into the barn and I am told by the people who were there that Mr. Seale said this is excellent sugar. He wanted to know when he could collect his sugar and he was told that he could collect his sugar in the afternoon. I was absolutely shocked when last night I was told that a voice sounding like Mr. Seale's voice came on the radio and said that the sugar was of an inferior quality. I was absolutely shocked because I do not believe that any responsible or serious Barbadian would go to that level to destroy their own country. But there has been a plan in this country and I will tell you why, Mr. Deputy President. For 2 days, there were people on radio programmes hosted by people who are supposed to be responsible people in this country, one of whom wears a collar. They allowed people in this country to call into the radio stations and tell the people in St. Vincent, Dominica, and St. Lucia that the Government of Barbados was bringing into this country inferior sugar for the people of Barbados. The people actually came on the radio stations and said they were in possession of this sugar and that the sugar was mixed with all kinds of inferior materials.

Mr. Deputy President, I am the Chairman of the Barbados Marketing Corporation and I will tell you this. Up to 12 o'clock noon yesterday not a single bag of sugar that came from Guatemala had left that bond for a single merchant. I defy any merchant in Barbados to say and to prove that they collected a bag of sugar from the Bond House in St. Philip before yesterday. What I am saying is this. We get around in this country and we talk about children with guns shooting at tourists. We call them bandits and they are giving this country a bad name. I am saying, Mr. Deputy President, there are people who are more bandits than those children. Because any man who uses the air waves of this country to destroy the image of the country, then he is doing more damage to the country than any man with a pistol out there can do. I feel very, very strongly about it.

If the Barbados Marketing Corporation makes a mistake, beat me as long as you want but do not tell lies. That is precisely what has happened in this country. There is a group of people who were looking for the contract to bring sugar into this country and they did not get it. Since they have not gotten the contract, they are prepared to destroy this country. When the Government of this country asked the Barbados Marketing Corporation to bring in the sugar, we did not go to the Government and ask them to bring in the sugar. The Government of Barbados asked us to bring in the sugar. We went to BSIL, the big boys or whatever you call them, and asked them if we could use their storage space. They told us that they would charge us $764 000 to store sugar in this country for one year and they said that it was not negotiable. We said that we did not think that was reasonable and we went to IDC. We got a bond where the facilities are superior. I am saying that it is superior to the bond space which BSIL has and we are paying IDC $60 000 a year as opposed to $764 000.

Aside.

SENATOR Dr. E. A. SIMMONS: The Honourable Senator just asked, "Why did BMC bring in the sugar?" Let me tell you why BMC brought in the sugar. This is not the first time that BMC has brought in sugar. BMC has been bringing sugar into this country since 1987. We bring in all of the granulated sugar that comes into this country. Do you know why we are bringing it in? When the same people were bringing in the granulated sugar, the people in the soft drink industry said the prices were so high that they were not competitive in the CARICOM market. Not only that, only certain people used to get. The people who were making their falernum and people who were making icing for wedding cakes could not get it. You had to be on the list to get. Therefore, the BMC was asked to bring it in. When BMC brought it in, the prices were dropped so that the sweet drink people became competitive. But let me say something else. They became competitive but the prices to the customers in Barbados never went down. All of the profits went into the pockets of the sweet drink makers. If you want me to read chapter and verse, I will read

it for you and I will tell you why it was important for Government to allow BMC to bring in those things.

Sir, you hear people getting on the radio in a serious country like Barbados, I always talk about the educational intellect of Barbadians, and they talk about we are importing cholera.

Aside.

SENATOR Dr. E. A. SIMMONS: This is a serious thing. If you tell the tourists that Barbados is bringing in things that will give people cholera, you are running the tourists away. Anybody can pick up an elementary textbook in medicine, pathology, or public health and you will know the organism that causes cholera cannot live outside the body for more than 3 or 4 days. We have to be serious. It is all right to do it in your living room. But you should not do this on a radio station where intelligent people can listen and hear people in Barbados talking about the Government is importing cholera in sugar. You have hosts on the radio stations egging people on to this total garbage. We have to be serious. You are posing a serious threat to the survival of this country. Therefore, I take serious objection.

Aside.

SENATOR Dr. E. A. SIMMONS: I do not mind if anyone is plotting against me. Anybody can do that once you are living in a free country. But at least be honest and do not come and tell lies. Do not do it to the detriment of my country. I intend to live here for the rest of my life. For those people who have entered into this kind of conspiracy, I find it very distasteful. I understand they have even gone so far as to say that the Prime Minister of Barbados is involved in it.

Sir, I take my work very seriously whether I am the Chairman of the Barbados Marketing Corporation, whether I am practising medicine, or whether I am the President of the LOME Convention. I take them all very, very seriously and I will say this. Within the Barbados Marketing Corporation, we have a Tender's Committee because we not only bring in sugar, we bring in all of the chicken wings that come into this country. We are the sole importers of onions. We are the sole importers of granulated sugar as I said before. We have a regular Tender's Committee that sit on a regular basis. I am the Chairman. I have never gone to a Tender's Committee because the Deputy Chairman chairs it and there is no reason for me to look at it. Since this thing has been going on, I have had to go and look at it as the Chairman because I have to answer the questions. I trust the people that I work with. But it is iniquitous when I hear people dragging down the name of this country and most of those people have been privileged people within this society. They are the ones who have reaped the benefits of most of what has gone on in this country. I want to say something else to Barbadians.

3.55 p.m.

I happen to be in a position where I can travel the whole world. I want Barbadians to get this idea out of their heads that they can produce sugar better than anybody else. Barbados can only produce enough sugar to feed a few thousand people. If the world had to depend only on Barbados sugar, the world would be in a serious condition.

Mr. Deputy President, a few weeks ago, I was in a country called Sudan in Africa, and I was taken to a sugar estate called the Kenana. The Kenana sugar estate is as big as the whole island of Barbados. It produces more sugar in one week than Barbados produces in a whole year. It only started sugar production 25 years ago. They have mechanical harvesters. If you do not believe what I am saying, Dr. Colin Hudson was in the Sudan at the Kenana estate twice already, so you can check with him. You have a source right here. That sugar industry is self-sufficient. It has provided free housing for all of the people who work on the estate. They provide free electricity and free water. They have built schools, primary and secondary. All the education is free. I went into the hospital in which they take care of all of the people who work on the estate free of cost. They are making money.

I do not accept this theory that an industry in Barbados that is 355 years old that was built off slave labour... I would refer everyone to a book called the Slave Trade by Oliver Ransford. He happens to be a doctor from what used to be Rhodesia. With your permission, Mr. Deputy President, I want to read something which he says about Barbados in this book. I am reading from page 99. If I need to make this book a document of the Chamber, I hope you can photocopy it and give me back the original. It says:

> "We get some idea of the economic significance attached to the islands..."

He is talking about the Caribbean islands.

> "... which, after all, were hardly more than specks in the ocean. When you realised that Barbados which measured a mere 166 square miles was considered during the 18th century to exceed all the New England colonies in economic importance and it was modish to ask, " what will Old England do were Barbados to forsake her?"
>
> From 1763 to 1773 British imports from the tiny island of Grenada were worth 8 times as much as those from the whole of Canada."

It goes on to say this about the sugar magnates in Europe:

> "The immense wealth enabled them to control many parliamentary elections and when Lord Chichester tried to buy a seat for his son..."

We are talking about the House of Lords, you know,

> "... in 1776 he learned that there was no such thing as a borough to be had now for the East and West Indians had secured them all at a rate of £3 000 at least."

It goes on to say:

> "Families like the Lascelles..."

which we know very well here in Barbados,

> "... mingled and married with the aristocracy and even with royalty. Yet many of these opulent sugar kings never saw the sources of their wealth."

Some of them never even came to the Caribbean.

> "Not only did the planters send their children to be educated at home, which is in England, but many of them settled permanently in England leaving their estates in the care of managers."

This is written by a man in Africa, who perhaps never saw the Caribbean, about the sugar estates here in Barbados. A lot of this should be required reading for people here. As I said before, Barbadians believe that they produce the only sugar in the world. Kenana is a place that only started producing sugar in the last 25 years and this is what they have done. They produce granulated sugar and I am talking about quality. When people get on the radio station and make you believe that the only place that can produce good sugar in the world is Barbados they need to have their heads examined because there are countries out there where the sugar estate alone is bigger than the whole of Barbados. We have to understand that.

What is very serious is whether the people in Guatemala hear that we in Barbados accuse them of exporting cholera to us. That is a serious accusation to make about an independent country. It must not be taken lightly. That is why I feel so strongly about it. I happen to operate in the international arena, and we should not accuse independent countries of nefarious acts when we have no basis for doing so. We, in Barbados have to operate in the international arena too. When we go around accusing independent countries of doing things of which they have no inkling, it is a serious accusation. When we carry on these conversations on radio from day to day with responsible people heading the programmes we are headed for disaster. We are not headed for disaster because our children have become delinquent. We are headed for disaster because our mature citizens, who have made a living in this country, have become delinquent.

I wanted to make that point and clear up the issues because I hope, from today on, the nonsense will stop and people will understand they have a responsibility to the country that gave them a living, and a very good living at that. I hope a word to the wise is enough. I support these Estimates and I thank you very much, Mr. Deputy President.

SENATOR J. G. BELLAMY: Mr. Deputy President, I am rising in support of the revised Estimates we now have before us. Before I get to that, I feel disposed to make a comment in respect of the unfortunate circumstances that necessitated the revisions to have been sent out to us a couple days ago. I believe most Senators, like myself, would have spent several hours on the rather significant publication that was delivered to us over a week ago. I must admit that one of the reasons I spent so much time on it was because it disturbed me greatly to be facing Estimates that indicated financing to be identified as $114 million.

However, I do not wish to waste time dealing with that document because it has been replaced by a much more concise one which indicates financing to be identified as 0.0 which is certainly a considerable improvement over the original work.

In respect of these figures before us, we have to look back, as has been done already, at the original estimates last year which projected an overall deficit in the region of $372 million. We now recognise that the projected actual deficit is going to be in the region of $235 million reflecting an improvement of some $137 million. The improved projected result from the original estimates would have resulted from the serious cuts that were made in capital expenditure and the current account expenditure and also the increased revenue that was raised by a variety of means including the Companies Stabilisation Tax also reductions in wages to the public sector workers and the increase that was levied on a couple occasions in indirect taxation. Unfortunately, the result of those measures, while achieving the much needed reduction in overall expenditure, also mean that virtually the entire population of Barbados has less take-home pay than they had a year ago. This, I believe, will translate to a serious downturn at the retail level and will serve as evidence before us in the business community at this point which indicates quite a considerable reduction in business activity.
4.05 p.m.

It is obviously desirable to dampen consumerism but I hope that due attention has been paid to the

accompanying decline in trade on the local market which could lead to reduced revenue from taxes on goods and services. There could also be a reduction in revenue from direct taxation due to increasing unemployment levels and to the factors previously described of reduction of wages and wage freezes.

The Right Honourable Prime Minister requested the private sector to adhere to strict wage policies with a view to implementing a wage freeze for 2 years and possibly linking any increments that are paid over that time to increased or improved productivity. As far as I am aware, the vast majority of businesses in Barbados, if indeed not all of them, have responded to that call. There have been no increases, or very few, awarded this year. I therefore hope that the projected revenue from direct taxation will be realised. I also hope that should it not appear to be coming as expected, that we are not further burdened with increases in direct taxation.

As Senator Dr. Clarke pointed out in introducing this Bill, the cost of debt servicing as a percentage of total expenditure has increased over last year's amount. The increase appears to be entirely due to domestic debt whereby domestic interest has increased by some $88 million moving up to a figure of $118 million from last year's figure of $30 million. I am speaking in round figures, not precisely as printed in the document. It is, however, heartening to note that there has been a slight decline in foreign interest due of approximately $1^1/_2$ million. Domestic amortised payments have increased from $29 million to approximately $57 million whereas foreign amortised payments have declined from $152 million to $101.9 million.

The proposed total current expenditure of $1 072 million is $53.7 million less than last year's actual projected spend. This must obviously be credited as a move in the right direction. However, we note that the proposed capital expenditure for 1992-93 will be $175 million which represents about a 45% increase on the actual projected spend of $120 million in the 1991-92 Estimates.

I think, if memory serves me correctly, that Senator Dr. Clarke also referred earlier on to the increase in debt servicing and its impact on the overall spend as a percentage which I referred to a little while ago. What I find interesting is that when you combine the figure for salaries and wages with debt servicing, you actually arrive, according to my calculations, on a percentage basis that the percentage of the total estimated expenditure in this year's Estimates is almost exactly the same as it was last year, in the region of 56% of the total. Facing this sort of situation, therefore, we cannot expect now to cut expenditure on other items which has already been done.

I know that during the course of this debate as it goes on and as we have already heard there will be varying qualifications as to how the expenditure is allocated and whether it has been done right or wrong. There is absolutely no doubt that we are moving in the right direction because the overall expenditure had to be cut and it has been.

In Barbados we continue to face extremely harsh economic conditions which is in keeping with what is happening in the rest of the world as has been alluded to earlier in the debate. The obvious decline in the purchasing ability of our local population, the poor performance of tourism, major declines in manufacturing, the all too well known situation with sugar are causes for very serious concern. In fact, at this point it appears as though the only really bright area of economic activity is the offshore or international finance sector.

For this calendar year of 1992, the overall outlook is bleak, to say the least. I believe that all of us, and this is part of a call I believe Senator Simmons referred to a little while ago, must work towards improvement in all sectors with particular emphasis on tourism, the offshore sector, manufacturing and agriculture, not only sugar but non-sugar in particular. I think the state of sugar is too well known and there is not much hope of improving that in this calendar year. We have to hope that it does not get much worse than the predictions that have already been made.

Present indications seem to be that most, if not indeed all businesses, will produce results in 1992 that will probably show declines under those achieved in 1991. It is for this reason that I am somewhat concerned about the projected return from tax in this area. It is to be hoped that taxes are not increased in a misguided effort to realise more revenue to fund Government expenditure since businesses are all undergoing restructuring, along with the rest of the country, and it must always be accepted that businesses should realise a reasonable return on investment which provides for shareholder interest and continued investment.

4.15 p.m.

Just the other day I came across a quotation attributed to Winston Churchill. I found it and I think it is appropriate at this stage to quote Winston Churchill. It says:

> "Some see private enterprise as a predatory target to be shot, others as a cow to be milked but few are those who see it as a sturdy horse pulling the wagon."

I do not believe that truer words have been said in the circumstances that we face. We only have to look at the example and I am sorry that Senator Simmons is not here right now because I think he was suggesting earlier on

that we need to look perhaps further afield than the United States and the UK and try and find models for copying. I personally do not think we should try to copy either one of them. I think that they may need to copy us, in the course of time.

But I think we have to look at examples more in keeping with our developmental style and our possibilities. I am thinking of countries like Singapore which is possibly the same size as the Island of Barbados, Malaysia, Mauritius and countries like that all of whom have made great strides in recent years towards moving their countries from developing country status towards fully developed status. When we consider the achievements made in countries like that, I think the possibilities are endless for us here in Barbados, especially when we consider the proven talents of our people. There are a lot of comments being made about loss of work ethic, the demise of the youth and other such comments. I am sure that some of those comments are very true. But we still have a wide array of good people in Barbados. There is no doubt there is room for improvement. But we have a people who have proven talents who are well educated and easily trained. This has been attested to on several occasions.

Just recently I attended a seminar which was mainly directed at the businesses involved in the offshore community of Barbados and the managers of those companies that operate here spoke in glowing terms about the quality and calibre of the labour force that they have been able to employ from among our local people. In fact, I believe it is true to say that some of the operations that we have already attracted to Barbados, when they originally came to Barbados, they did not intend to develop to the scale that they have subsequently developed. But they have done this because after having got here and having realized what we could offer and this offering is mainly by virtue of our infrastructure and our people, they decided to expand substantially. Even to the extent, in one case that I am aware of, where they subsequently reduced their operations in their home country of the United States and increased the operation here in Barbados. I think it is examples like that that we need to hold up as examples to the rest of the world, as to what can be achieved in Barbados. I hope that that sort of thing is the type of thing that Senator Clarke will see is included in the compilation of the profiles that are going to be circulated around the world in the hope of attracting more investment whether it be joint venture or direct. Because I believe – contrary to all of the other comments that may be made from time to time – that we are going through a difficult period. But I firmly believe that we will come through this difficult period and we will come through it, I hope, better off than when we started. We would have learned a lot. I believe that the future of Barbados in the long term will be great. I place most of my reasoning for that on the total confidence that I have in the people of Barbados who I firmly believe have been and still are our greatest resource.

Unfortunately, we have problems. I believe that one of the greatest problems facing us at present is our currently rapidly rising crime rate. This has been well documented in the press, the media not only in Barbados but in other parts of the world. It is getting abroad. We have spoken on it in this Honourable Chamber previously.

I was heartened to see the statement made by the Prime Minister in the House in which he outlined his personal attitude to what is happening. I was also heartened to see similar statements being made by other members of Cabinet. However, I think it is unfortunate that we have had to wait quite so long for such statements to be made. I believe that we could have started taking serious action earlier and perhaps we might have avoided some of the difficulties that we now have to face.

Generally accepted statistics usually indicate that the cost of correcting a problem is substantially more than the cost of prevention. If we do not resolve this crime activity, I believe we will completely destroy our tourist industry and our offshore sector. There are, at present, expatriate members of the offshore community who live in Barbados or at least reside here during the year, from time to time, who have already been victims of crime. They will not wish to stay or recommend to their colleagues that this is a place that they should be unless we can arrest this problem.

I believe at this point in time considering the fact that I have already stated that the offshore financial sector is showing the brightest glow at this point in time in our economic spectrum that we must dedicate all energies towards resolving the crime situation.

Reverting for a moment to the actual Estimates themselves, if we look at the... I have had some difficulty in this original document in identifying pages because only certain pages are numbered and others are not. But fortunately the pages I want to refer to now are numbered on pages 12 and 13. On page 12 it indicates the statement of capital expenditure for the 10 year period 1981 to 1991 and on the extension page 13, the statement of current expenditure for the same 10 year period.

Mr. DEPUTY PRESIDENT: Did you say pages 12 and...

SENATOR J. G. BELLAMY: Pages 12 and 13. Not Roman.

Mr. DEPUTY PRESIDENT: Thank you.

SENATOR J. G. BELLAMY: At the bottom of the page. The increase in expenditure that we see occurring over the last 5 years is quite significant. I believe – I do not wish to dwell on this for any length of time – but I believe that one of the problems that we experience during that 5 year period was the unfortunate financing of significant parts of the capital expenditure out of the current account. I think that this is best exhibited when one looks at the deficits in 1987-88 on current account and 1990-91 of $90 million in the first case and $96.7 million in the second case, the highest deficits on record in that 10 year period and, quite possibly, among the highest deficits on current account ever recorded in the history of Barbados. That to be combined with the capital spent in 1990-91 of $240 million which also is the highest during the 10 year period. I believe that when you look at those figures, the historical figures most of which are now computized because all of the information is in and they are there for all to see, we can see what contributed to the reasons why we are in the position that we are in today.
4.25 p.m.

The fiscal year 1990/91 ended with the largest deficit on current account over the ten year period. As I said it was also the year in which the greatest capital expenditure occurred. Capital expenditure escalated between 1987/88 to 1990/91 moving up from $165 million in 1986/87 and previous to that I noticed that it averaged somewhere in the vicinity of $140 million a year to $240 million in 1990/91.

During this 5 year period there were repeated warnings sounded from any sectors of the economy, unfortunately to no avail. This capital spend coupled with the large deficits on current account have contributed as I said, substantially, to the problems that we now face and to our having to resort to the International Monetary Fund.

As I said, a little while ago when I was talking about crime, it is pleasing to note when people admit their mistakes and seek to correct them. When we wait too long to do this and we ignore all of the signs that are facing us squarely and we have a price to pay in order to recover from our inability to act at the appropriate time.

The original deficit projected in last year's Estimates indicated $372 million overall and through the series of measures that we are all well aware of was reduced to $235 million. I therefore hope that there will be a continuing monitoring of expenditure and prudent management so that we can look forward to a much reduced overall deficit this year. Quite apart from the figures before us at this point in time I refer to one of my pet subjects of which the Right Honourable Prime Minister is well aware. I have broached it with him in other places and on different occasions, and that is the debt that is owed by Government Departments for goods and services derived from local suppliers.

As a result of recent increases in interest charges this situation has only been worsened when local firms have to carry debts owed to them by Government for several months without any compensation by way of an interest on overdue balances. It is of course traditional to deal with Government in special ways because of the volume of business derived and the simple fact that you are dealing with your Government. Sometimes one has to stop and ask at what cost and is this business really worth it?

The rising interest rates that presently indicate that the cost of financing through normal overdraft facilities in the commercial banking system have risen almost 60 per cent between this time last year and the present time. That I also believe to have been a mistake.

The increased interest charge facing most businesses in Barbados today quite possibly represents the most significant increase in costs in their financial statements. It has not been possible because of economic circumstances prevailing, as some would imply, to pass on these costs to the consumer. It has simply not been possible. Increasing interest passed on in such a manner will only fuel the inflation rate and I would believe that is the last thing we would want to effect at this point in time.

This year 1992 is unfortunately gloomy as I have mentioned. I hope that the end result of Government's financial policies this year on expenditure, as well as their projections on revenue, will in fact come out to the projected zero balance as indicated. It is certainly not a time when we can impose further increases, on what I believe to be already a heavily overtaxed population.

Quite frankly I would have preferred Estimates that indicated a projected surplus on current account since, and for the reasons I have stated previously, there may be some areas in the revenue projections that may be overstated. If a surplus had been projected it would have provided a buffer in the event that the projected revenue is not realised and would have allowed Government some flexibility. If however the projected revenue is not realised as projected and expenditure remains the same or even increases for any reason I sincerely hope we do not have to be faced with supplementary taxation.

Senator Simmons in referring to our need to discover a model for development of our own stated that communism is dead and buried and capitalism seems to be on its last legs. He used the examples of the United States and the United Kingdom. I am not certain that we should use those examples at this point in time when one tends to think of the United States as being the leading country in the world but quite often we either don't know or we forget that the United States also carries the biggest

debt of any country in the world. I am not convinced that the financial management that has been shown to us by the United States over the years would be a model for anyone to follow. That, I believe, could form a debate all of its own. I will leave it at that stage and simply refer to the other countries to which I previously referred which may be more in keeping with our need for development. Having said that, one of the factors that I find most interesting about those other countries, namely Singapore, Malaysia and Mauritius, is that they have Governments in place who in large measure have identified themselves as being the facilitators for development of private enterprise. I have said before in here and in other places that the answer to our development should be devised by us coming together as whatever you want to call us, the social partners or the business partners. Basically, I believe we are talking about the Government and public sectors, the employers and private sector, and the workers representatives and trade unions. I believe that in all 3 of those bodies in Barbados there is a wealth of brain-power that can be harnessed to produce exactly what Senator Simmons referred to as the desired model for the development of Barbados along the best possible lines for Barbados.
4.35 p.m.

As a means of perhaps supporting my logic on the above, I recall the debate in this Honourable Chamber of the Estimates last year. I recall one of the criticisms that was levelled at the Estimates that were before us last year was the quantum shown for wages and salaries which, if memory serves me correctly, was about $475 million. That was identified in this Honourable Chamber last year and it was identified by other members of the Barbados community. Yet when the International Monetary Fund entered into discussions with the Government, that was the first item disclosed to the public at large that the International Monetary Fund had identified which needed to be reduced. I ask you, Honourable Senators – did we really need the International Monetary Fund to tell us that needed to be reduced? We had already identified it for ourselves but for whatever reason we seem to have been unable to act in the right way until we were forced to go to the International Monetary Fund and have some foreigner to come in and tell us that is what we should do when we already knew that is what we should have done.

More recently, I read with great interest and continue to read with great interest the ongoing developments in our sugar industry and find it rather interesting that now that we have entered into a management consultancy with Booker Tate, I believe that is the correct term, that the leader of the team who, I believe, is a West Indian who certainly had part of his education here in Barbados at the Lodge School and yet again we had to rely on foreign advice before we took steps in whatever direction they are going to go in. I firmly believe that as long as we continue to maintain these sort of standards, if that is the right word, we are burying our heads in the sand. We are refusing to accept the reality of life today. History is of great importance but it should always be regarded as historical and all of us need to come together today to identify the needs for us and for our children's children. I firmly believe this country has the brain-power here now and the potential to develop brain-power in the future that will take us where we need to go.

I just want to refer to a few comments that have been made in the earlier contributions today. I was very pleased to hear in the introduction by Senator Dr. Clarke that up to the present time there has been no department that specifically deals with the effective management of public debt. Therefore, I am encouraged to know that we are considering the establishment of such a department so that we can expect for the future a more rational approach to the raising of revenue and the expenditure that results.

We have in the Revised Estimates before us one of the most significant differences actually between the original document and the present document before us. It is in the area of foreign financing where the original document indicated $79 million and we now see that is to be $161 million. The increases have come from apparently an omission in the previous one against the European Development Fund of $3 800 000 and then 3 items towards the bottom to which Senator Barker referred of Suppliers Credit of $14 million, Divestment of $40 million and Other of $24 million. That is quite a lot of "Other"! The details of the Divestment and Other do not accompany these papers and there are probably very good reasons for that because of the confidentiality of negotiations that may be ongoing. But my point is that unless we realize that foreign financing, we will once again end this year with a net capital outflow. As has been stated before, the size of the capital outflow that occurred last year is most undesirable and we do not wish to be in this position. Let us hope the figures projected in this foreign financing can be realized and will be realised during the course of the year.

Sir, Senator Clarke referred to the companies listed on the Stock Exchange and he first gave us an analysis of their changes in sales and subsequently an analysis of their changes in profit. I am not going to spend too much time on what was stated because the figures are a matter of public record, except to say the results that he referred to are all results that have been finalized during the year 1990-91. Most of these companies would have had their financial year end in either August, September or possibly October, I am not sure about all of them, in 1991. This means that these results were all achieved and declared prior to the tax introductions that took place in the Supplementary Budget of September 17, 1991 along with the Companies Stabilisation Tax effected for 4 months

from December lst. While these results may look encouraging, I would not like anybody to be misled into believing that we can expect similar results on 1991-92 financial year.

I think we have got to look at what we are dealing with today and be very realistic about what is going on. We have seen, as Senator Clarke mentioned, a 2.3 per cent overall decline in exports in 1991 accompanied by a 3.3 per cent increase in imports. We must work very hard at least to make those figures reverse, but it is going to be difficult.
4.45 p.m.

I do not wish in any way to pre-empt Senator Cole, because I am sure he will have more to say on manufacturing *per se*. However, I do support the view expressed by Senator Clarke that our price and quality will dictate our product acceptance abroad and will, to a large extent, dictate whether we succeed or fail.

I am pleased to learn, if I understood the Senator correctly, that our offices abroad are going to be rationalised. I believe I may have called for this during last year's debate and, please correct me if I am mistaken, but I understood the Senator to say that the offices abroad of the IDC and tourism are going to be brought together with our diplomatic Missions, which to me makes total sense. For a little country like Barbados, given our dwindling situation, to have to fund three independent offices in any one country I think is absurd. I am particularly pleased to learn of that and look forward to its early implementation. I believe I mentioned last year that it is very important to make sure, of course, when you do that, that we have the right trained personnel in place.

I specifically remember last year speaking about having – whether they are called commercial attachès or trade attachès or whatever they are called – people who would be knowledgeable in the areas of investment, in particular the offshore financial sector, which is an area with a lot of expertise on its own, as the people who are going to be trying to develop investment in Barbados. I hope that our representatives abroad will have the necessary training and expertise that they can provide the type of stimulus and be able to meet with the type of people with whom they will need to meet to encourage this type of investment. I really welcome that kind of initiative.

Investment programmes are going to be taking place in the USA, Canada and the Far East particularly for offshore investment and data processing which ties right in with what I have just said. If we license 136 new foreign sales corporations of the total 628 in 1991, hopefully we can look forward to licensing about 200 in 1992. That is the sort of figure I think we should be aiming at.

Mr. Deputy President, let me just mention in respect of the interest policy, on which I have already made a comment in which I stated that I believe our interest rates are too high and are having a negative impact on the expansion growth of our business community. In the United States, taking Senator Simmons up on his point, which as I said earlier I would not wish to copy, but my understanding of the reason that their interest rates have gone as low as they have is that they have seen this as a means of making sure that all of the money that exists in the United States continues to circulate, and by so doing stimulates the economy. When you do not have particularly attractive interest rates available in your banking system, or whatever, people are less inclined to save and they will continue to spend. I strongly believe or suspect that this is perhaps the thinking that has been prevailing in the United States. I have heard the theory expressed that if all the money continues to circulate, this will automatically stimulate the economy. I am not sure that I entirely agree with that, but that I believe is the reason why their interest rates are as low as they are. Ours, I believe, are also too high.

The Right Honourable Prime Minister has indicated that he is looking forward to 1.2% growth in the economy this year. I would like to believe that this is possible. However, the sectors identified for this growth are tourism, construction, business and the financial sector. Tourism will depend in large measure and the Government's fiscal year which does not end until March 31, 1993 will obviously include a substantial part of the upcoming tourist season, and certainly as far as tourism is concerned, I hope that we can look forward to an even greater increase in tourism specifically. When one considers that at the end of 1991, based on arrivals to Barbados, our tourism had declined 8.8% under 1990, for us to achieve a 1% or 2% increase in 1992 would really not be doing much. I would be looking for substantially more than that, considering the already negative growth of the industry over the past two years.

I hope we can work together and put a plan in place to get more airlines to come to Barbados, preferably the really recognised international airlines, because I believe – and I think I have said this in this Honourable House already – that if Barbados can get its name into the network of an airline like Delta, United or KLM, you are already in British Airways and airlines like that, we will have a lot more international exposure and will be a lot better off, so I believe that is what we should be working towards.

The tourist plant in many areas needs to be refurbished. Only last night I saw the President of the Hotel Association appealing for some sort of hold off on any increased taxation by way of budgetary measures to

allow for this improvement. This is a call that has been coming from that sector for a number of years. Tourism, as I have said, will probably be most affected in Barbados right now by criminal activity. I still believe that is the area in which we should be concentrating our energies and efforts in resolving.

Construction has been identified as a growth area in 1992. I find that very difficult to understand. The construction industry in Barbados is not doing very well at all at present, and with the high interest rates the cost of obtaining money I do not really see that that is going to grow as much as we would like.

With respect to business, I have already outlined in some detail what is going on in the distributive and retail trades and I have also mentioned that the offshore financial sector, which I assume is referred to in use of the term "financial sector" is a bright spot and is one on which we should concentrate a lot of energy developing this year, in particular, because of the time it is going to take for the other sectors to recover from the position they are in. Again, the comments I have made about crime relate to that as well.
4.55 p.m.

Mr. Deputy President, I will end my contribution to this debate by stating that I support the zero financing that has been identified, but we will only achieve it if all of the inputs are achieved and expenditure is kept in check. I hope that we shall not have to be subsequently burdened by any supplementary taxation nor any increase in tax. I hope that the expenditure side of things will be carefully monitored and we will not have to see supplementary Estimates coming before us to cover additional expenditure. With that I would support the measure.

SENATOR J. A. F. COLE: Mr. Deputy President, we have had a lot of interesting things said about these Estimates and the various Heads we have been debating. I will not get into a lengthy introduction because a lot of this has passed before us in one form or another. There are a couple of things I will talk about and one is to do with manufacturing. Senator Dr. Clarke gave us a background into that and I concur with a lot of the statements made. I must confess that while we may talk of manufacturers and say that we are restructuring in order to make things better for the future, we are looking down the road, and some people cannot take things in steps. When we look too far, they get worried, a bit uncertain about what is going on, and they lose confidence. How would we feel if we were in their shoes?

At the end of this month, we are removing the Companies Stabilisation Tax which affects all going concerns in Barbados, the manufacturers as well. On the other hand, there is no signal or sign to the manufacturers that the duties on the raw materials for their manufacturing industries will be removed. As a matter of fact, the way the law stands, from the end of this month, which is in a few days, manufacturers will be faced with the full duty on inputs into their manufacturing business, whether raw materials, equipment or what. Of course, this will not affect those products which are exported. I believe that when you are to move from a traditional home base, whether in Barbados or any country, and when you are asked to improve immensely the percentage of your export production, you need a long runway to get some flying speed so that you can soar and export. I think the Barbados market is going to be that runway. I do not think we can forget the Barbados market because we are going to export. We will not get off the ground.

We have to learn by exporting to CARICOM. You talk about standards; we have to learn about standards. If you take any 10 people, the standards they accept will vary terrifically. This is something we have never gone into as manufacturers. As a matter of fact, most manufacturers in Barbados believe that if they work hard at something that makes it a good product. We know that is not the case.

Right now, the ranks of the manufacturers are being decimated on a regular basis. I know of another factory which is moving its operation to Trinidad. It plans to export the product to Barbados through distributor services. Not only will the operation be closed down here, but it is going to put people out of work, and the product will be sent to Barbados while we send out our foreign exchange. This is happening now. I know that in any area of change things have to get worse before they get better. I accept this as a part of development, but it is happening here and we should not think that it is not.

In manufacturing which, of course, has a high percentage of skilled labour, I think Barbados went too far, too fast. Things started to look good and we found that in the more carefully managed businesses wages could be paid which outstripped those paid in the rest of the Caribbean islands, including some of the oil producing countries. It seemed to a lot of people that this was not a real thing. However, Barbados was also more expensive in certain areas and maybe at the time you could look at it and live with it.

We have reached the stage where, as Senator Bellamy remarked, the triad of commerce in all its forms, Government and the unions have to come together. Between the three they have to get something going. We have to talk to each other more. We have to move away from outmoded ideas.

There are concepts supporting a transfer of wealth from one section to the other. There is another where labour is simply just another input like paper, or whatever, and you don't have regard to the humanitarian part of it. All those ideas have to stop. People have to talk together and begin to work together.

The Government, as Senator Bellamy has said, has to be sensitive to the needs of the manufacturers. In Barbados, and in many developing countries, sometimes it is you versus the Government or the Government versus the productive sector. The Government has to see itself as supporting the productive sector as well as carrying out its myriad duties in the social arena. The unions have to understand that the old world has passed away and their members can no longer be paid for a day's work where work under which they are categorised runs out and they have to wait for other similar jobs to come along because they cannot be moved into another area. Employers are not free of their responsibilities. Their responsibilities are not just productive. They also have social duties. I am very impressed whenever I see that advertisement by the Harris group of companies. The ad shows that the companies support other endeavours, sports and various other things. I think that is a good image for Barbados and employers must relate to that situation because that is where the future lies.

I think we must get away from thinking about contracts based on rigid job descriptions and rigid work specifications. We must get people to understand that you cannot do 10 hours' work in an 8-hour day. What happens now in many industries because of job categorisation and job descriptions is that it is sometimes very difficult to get a person who has been promoted from one area to another to do the job he has done for several years before, because it is not in his new job description. All of that has to be swept away. That is in the old world. It is finished. It is never going to come back. We have to understand that. Again, the employer has to do his part. The unions have to work with him and the Government has to be there as well. 5.05 p.m.

What happens is that a lack of flexibility can breed negativity. Negativity in a productive sector is just going to keep us where we are. What can we do? As Senator Clarke has pointed out, there are no quick fixes. There are a number of areas we can work in. It will not happen quickly. We will win some and lose some. Many of the best laid plans will fall through but for a start we have to loosen up and face the fact that we have to be able to talk to each other and listen to each other. We are very good at talking but sometimes we are not as good at listening as we could be.

We use the words "social partners" very easily. Yet, almost daily, there is a battle between the Government and the unions, there is a battle between the unions and the private sector or the commercial sector, and there is a battle between the commercial sector and the Government. While we have this as a goal we do not seem to be getting on too well in the practice of the idea of social partners. That is something that has to come to the top. We have to encourage this sector to whom we will look for the energy to drive us forward. You can have all the factors, you can have everything, the energy and the work ethic we talked about in here. Senator Simmons talked about it. It is nothing new but we seem to have lost touch in certain areas like this.

We want to encourage these people who really are the ones that have had to make the sacrifice of having their wages reduced, short-time working, who have seen their plans for their children's education dashed because they are not now working. These are the people who we are going to turn to to get us out of this problem. We have to be careful not to tax, penalise or do anything which may appear to them to be a penalty. To do this, I think it would help, to a large degree, if they could see that those people who are making these plans for us, who are pointing them in the directions they are being pointed at, are being seen by everybody as accountable for their actions.

We all make mistakes. We are not gods. Quite often, when things go right people are very quick to take a bow. When they go wrong nobody is there to answer for it. I think you have to encourage the people who are going to give you the energy and the effort. I think we need to get down there and show people we are in there with them and work alongside them.

As you know, I am a printer. For years the printers have had a group within the Employers' Confederation the same way as they have a group within the Barbados Workers' Union. Whenever we have had our wage negotiations I found that some of the other companies seemed a little harder than I was when it came to giving a raise, or discussing a certain figure. But it was very simple. I worked on the shop floor. They did not. I could see areas where I could physically be there with my staff. It meant I might have to get there a little earlier and stay a little later. I could see that if you were close to your work team you could get that extra effort out of them and you could pay that money.

What I am really saying here is, as Senator Walkes will tell you, one hand cannot clap. You have a management team. You have a workers' team. Let us not look at them with suspicion. Each party must deal a little more open-handedly. You must have great integrity so that when you go to meetings and say your company is having a hard time it must be the truth because if that is ever challenged and found to be otherwise you will never

be believed again at subsequent meetings. We have to try and get this thing together. The idea of a social partner is a really good one. The thing is, we have to get those ideas together.

Still on the manufacturing topic, Mr. Deputy President, I think we have to go through this mill. There are no quick fixes. These duties will be fully on at the end of this month. I think there are other ways to tackle it. Certain manoeuvres can go on and eventually surface which would not put the onus on the manufacturer and might mean that the consumer would still not pay anymore. I know that people are thinking along those lines so I will not get into that any further.

The next thing I want to talk about, Sir, briefly, is a more specific case. It has to do with education. I am not an educationist. I know how much Senator Straughn misses not being here because this subject is her life blood and she is very good at what she does. She has an awful lot of experience. I am sure this Chamber would have benefited a great deal had she spoken to us on this Head today. Maybe she might even have written a paper on it.

We see under Head 34 that there is reduced funding across the board. Reduced funding in itself does not mean the end of the world. I have no doubt that if funding of any kind is carefully aimed, that it could produce the same result as a couple of shots carefully aimed as a barrage not carefully aimed. I do not see the reduction of the funding as a big thing in itself. I think it is a challenge for the administration to get as much or more with the reduced funds as they got with the bigger allocations.

There is a particular case which I want to talk about here. I have never met this person. I have never spoken to his father because I do not want to be seen carrying a brief for anybody. We have a particularly talented young man in Barbados today who is searching for a scholarship. When I think of the number of science scholarships that are being given, never mind the number may be reduced, and when we see the science students coming back from their studies, in fact, they are lawyers. I believe there is room there to take one of these science scholarships and give it to an extremely talented young man. He is actually in music. I have spoken to one of his music teachers.

Aside.

SENATOR J. A. F. COLE: It is being dealt with? Would I be out of place to ask how? I would just say what I have to say briefly. I will cut it down very shortly. This boy has qualifications in his music which, frankly, I am sure this Chamber would like to hear. Music is not just an art. Physics is a science. There is nothing that is purer physics than a tuning fork. Grade 6 Theory of Music is another part of physics but pure physics. This boy has qualifications in his music. I will just read a few of them: Theory of Music, Grade 8, Final Distinction, Associated Board of the Royal Schools of Music. Pianoforte Playing, Grade 8, Final Distinction. Violin Playing, Grade 7, Advanced, Organ Playing Grade 8, Final to be examined in March, 1992. We know he has passed this with Distinction in March 1992.
5.15 p.m.

Among this boy's tutors are people like Christopher Spencer on the piano, Victor Pilgrim, organ, Wil Clairmonte on the violin. His tutors include John Fletcher and Janice Millington. None of these names I have called here had the qualifications that this boy has when they were his age. There is only one other person, in the last 20 years or so, in the region including Jamaica, that had these qualifications at his age. He is a chap called Johns out of Jamaica. What I came here to say is do not let this get away from Barbados. People have said: "Oh if he goes and furthers his studies he will never come back to Barbados." He will be an ambassador *par excellence*. Whether he comes back or not is out of the question.

I am very heartened to hear that something is being done and I congratulate the administration because at this moment letters are floating around companies begging for money. The Combermere School Old Boys' Association are trying to get some money. Letters like this one come to me. I do not think that the boy is deserving of that. He has worked hard. He embodies all of those qualities that we bemoan the lack of in our youngsters today. All of them.

Further to that, I do not think the private sector, or any club or any association of people should get the credit or seek to get the credit for sending him away. I am very heartened and very glad to hear that news, Sir.

The last thing I wanted to talk on here is tourism. I hate repeating the fact that tourism is not just our single biggest earner of foreign exchange or that it earns twice as much as all of our other sectors put together. That is history. We have heard a lot here today. Senator Bellamy said a few things. But a number of things are coming up and I think they should be mentioned here.

First of all I have a TIME Magazine here of March 9 this year. This is the latest TIME Magazine. On the first page of editorials – it has a few pages of ads here – it has a story about Africa:

"Kenya: Warning

Armed bandits in Kenya have robbed, raped and killed tourists in recent attacks"

so and so and so and so. We have to make sure that Barbados never gets that sort of billing. People might tend to say:"Oh Time Magazine did that but they do not say anything about New York." In fact the whole magazine is plastered with crime in New York. Because you have got a report on crime in New York and because it is said that crime is associated with tourism all over the world, that is not good enough for Barbados.

Whenever I think of Rio de Janeiro I think of going on the beach and getting my pocket picked. You think of going to Rome, people talk of how they lost their wallets and the girls got pinched. Violent crime is something else. In certain parts of the world we are getting violent crime. This is happening to Barbados. As I said Senator Bellamy spoke about it. It just has to be stopped because this will wipe out all of our planning.

There is one other aspect that I would like to talk about. Right now we are looking for new innovative ways of marketing tourism in Barbados and one of them is regionally. We are going to market tourism as the Caribbean, not just Barbados. They come to the Caribbean, they could go to Jamaica, St. Lucia or Barbados. Of course I think that if we are looking at regional tourism there is an equation I have written here, "Regional tourism is equivalent to regional development." If regional tourism goes up, regional development will go up. If it goes down...That is how I see it. I could be wrong. Of course we are talking about communications. Jamaica is 1 000 miles from Barbados. We are a little out in the Atlantic here and you cannot really take a sail boat and go to Jamaica.

For years now the main carrier has been using an aging fleet of aircraft. Some new models have been put in. But the fleet is aging. For those of us who travel up and down the islands, the vibrations, the noises, the clanks and so that you hear on some of the aircraft make you wonder how much longer they are going to go on. I know that Barbados is only one shareholder in the regional carriers – I might as well call the name – in LIAT's fleet. They are looking at the moment at two models of aircraft which is very interesting. There is nothing wrong with that. What worries me is that the whole scheme involves hundreds of millions of US dollars. I am afraid that with sums like that, sometimes the advice of the technicians, the technical people, is put one side because other influences come into play.

In these two aircraft, Sir, one is eminently more suited to the job than the other. It is tougher. I carry no briefs for either of the two machines. But I know it is a lot of money involved and it is imperative that the correct machine be bought because this is going to take us 20 years into the future. Twenty years from now a lot of the people who will make recommendations will not be here but those of us who have to travel and do business will still be here. It is important that this correct decision is made.

The only reason I am speaking on this is that sometimes, as a layman, I say why is it that after all of these years we seem unable to buy the correct bus for Barbados. If we cannot buy the correct bus for Barbados we are going to have a much harder task buying the correct aircraft for flying around the region. We know not long ago there was a bit of an enquiry when it was found that some of the Mercedes buses were quite unsuitable to the routes. When they called the factory, the factory explained the buses were designed for Holland and Belgium, the low countries. But we have them running down Rock Hall. More recently we had another situation which was almost farsical – the buses were the wrong dimensions. If that can happen, I worry about spending hundreds of millions. But we have to be right and we have to insist that the technocrats' advice be followed and that we get the right aircraft.

That, Sir, is the gist of what I have to say on tourism.There are some general comments I could make but again we have heard them all already. The tourist industry is very lucky to have a number of concessions that other industries in Barbados do not have. Sometimes I wonder at the patience of other people who work diligently and hard but have to pay taxes on any small amounts they make. The tourist industry is given carte blanche when it comes to taxes in some areas. The Government is doing its part. At the end of the day this Government or any Government can only do so much.

The people out there who are in the business have to get up, do their marketing and get on with the job. Quite a few of them are very fond of sitting back at home and complaining, not really putting in 8 hour days far less 12 or 16 hour days and then they look to the Government for some form of further assistance. It cannot work so. As Dr. Simmons said there are some things you have to do yourself. That is the way it is going to be from now on because as I said before the old world and those practices have passed away and those people who cannot relinquish those ideas will fade with them.

Sir, I would like to say that I would go along with the Estimates because like Senator Bellamy I like the bottom line. It is not supposed to cost us anything. I think it is an exercise in discipline from top to bottom. I think it might help to bring us back down a little closer to the real world, get our feet on the ground and let us know that when we go to work we go there to produce, otherwise you might find that you do not have a job.

In closing, Sir, I would just like to say that I will go with the proposals in the Estimates this year.

Mr. DEPUTY PRESIDENT: Senator Walcott.

SENATOR Mrs. M. WALCOTT: Mr. Deputy President, under Head 19, Ministry of Finance and Economic Affairs, we learn that, among other functions, the Customs Department is responsible for the collection of various duties and goods imported and brought into the country and to tax it appropriately, if necessary.

I have mentioned in this Chamber before now that it is very important to have a smooth and unimpeded passage through the Immigration and Customs on arrival in Barbados and especially at the Airport. This is the point of entry for most of the visitors coming to stay in Barbados and also for the residents and Nationals returning to Barbados. It is good for the country when the arrival halls are crowded, but considerable delays at this point can be very tedious and I want to suggest that the introduction of a customs declaration form could assist considerably in simplifying the entry procedures. This form could be similar to those used in North America but in accordance with our own laws. It could clearly set out what travellers can expect to bring in duty free and otherwise. The forms could be filled out on the flight and probably help to relieve the boredom on the long hauls. As for the residents, the forms could be distributed to them together with their travel documents on departure and they would then be fully aware of their allowances well ahead of their return home. I think too that it would be easier on the customs officers to have signed declarations to deal with. At the same time it should reduce the heavy laden queues that you see piling up at the airport.
5.25 p.m.

Now I realise that the information regarding what is permitted in free of duty is displayed at the airport in the arrival hall, but this is not prominently exhibited and travellers at that stage are more concerned with collecting their luggage than checking notices that are stuck up here or there. I would suggest that the introduction of a customs declaration form for use here in Barbados would be an advantage for all concerned.

Another matter, Mr. Deputy President, which concerns me is an environmental one. We are extremely lucky in Barbados to have such a good supply of high quality drinking water and such lovely beaches and coastal waters surrounding us. We have surely been blessed but we have always taken these facilities for granted. Times and situations change and we need to adjust our thinking and actions to suit.

The building of hotels and other development along the coast lines, the increased use of fertilisers, pesticides and chemicals in modern agricultural methods, the effluents from electronic and other industries all pose threats to our waters. Already the coastal waters show some pollution and the coral reefs have suffered irreparably due to the discharges from the build-up along the coasts and also from surface overflows. Not only the coral reefs are being affected but the marine life is being harmed by the large quantity of plastic items that presently float around in the seas. The endangered turtle is one of them that likes to eat jelly fish and mistakes the plastic for that and they are eating the plastic and suffering as a result. I now say we have to be very vigilant about guarding the potable water supply as, being a coral island, what is distributed on the surface tends to filter through the layers of the coral.

I think what could help would be to introduce legislation where it does not already exist to control effluents, sludge disposal and so on and strengthen existing legislation where necessary. However it can not be seen to be enough to have the requisite legislation in place. It is most important to ensure that it is enforced and there is proper and effective policing of the regulations that are in force.

Referring to Head 34, Education, I note that provision is still being made for the payment of tuition fees and economic costs for students to the UWI. Mr. Deputy President, I have said before that I considered our contribution to free education in this island as extravagant. I think it is above our means. I do think tertiary education is one area where some cutback could be instituted. I cannot see tertiary education being free for all. Obviously Government would still have to make grants to UWI but in addition there could be a special allocation earmarked to cover the cost of a number of scholarships and bursaries for Barbadians to study there in various specified disciplines. These scholarships could be awarded annually at the same time as the Barbados Scholarships and the Government Exhibitions. All others would then pay their own way.

Right now the Barbadian UWI students go through their courses, they graduate and do not have to make a commitment to remain in Barbados and work for a given period, while such a bond is required of the Barbados Scholars and Exhibitioners. Whereas the statistics might show that an appreciable number of the UWI graduates do stay on in Barbados and work, the principle involved, that of receiving free tuition and giving back service should be the same for all and there would not be so many students who would be required to do this if scholarships were awarded and it was not free for all.

Turning to the schools, people tend to accuse Barbadians of being complacent and it is only when the horse is already out of the stable that they sit up and pay attention and make a noise. Recently we were all horrified to see the condition of the building and facilities of

one of the primary schools. How did they deteriorate to this extent without the notice of anyone in authority or otherwise? It certainly could not have happened overnight. And all of a sudden everybody was involved and complaining. There seemed to be a breakdown in communications or something but I do feel that buildings and facilities are expensive installations and their maintenance should be a priority. Any repairs that are left unattended for any undue period cost so much more to put right in the long term that particular attention should be paid to the condition of the schools plant in an ongoing programme so as to avoid a recurrence of what was recently exposed. Accordingly, I regret to note that there are cuts in some of the Heads to schools under the maintenance of properties.

Mr. Deputy President, turning to Head 38, Community Development, I note the Estimates propose a reduction in the grants to non-profit agencies. The support work of these voluntary organisations is immeasurable and invaluable to the community as a whole. Without them there would be a great void and in some areas a collapse of services. I hope this situation can be adjusted as soon as practicable because these organisations do need some help. Meantime, Barbados today is in serious economic difficulty as everyone has mentioned. We are going through stabilisation and restructuring programmes and compounding this and just as alarming is the state of crime and violence being evidenced at this time. Unfortunately, most of these offences are being committed by young people. We are advised that there is need for greater productivity. Yet over the past few weeks the sugar industry has been advertising vacancies and do not seem to be able to find the workers to do the jobs. It is a real shame that sugar workers had to be brought in over the past few years to do the work for Barbadians and even now they will not respond despite the high rate of unemployment. They seem to prefer a life of uncertainty.
5.35 p.m.

Sir, I believe that unrealistic and irresponsible attitudes together with the lost of values have a lot to do with these situations. Obviously, there are other elements influencing on the unruly behaviour such as ineffective parenting, drugs, unsuitable T.V. and video programmes and so on. Whatever it is, indeed a lot of attention is required to reverse the present trend. But one thing would be to use the facilities which are already in place. I refer to all of the community centres that we have scattered over the island. These should be fully utilized and offering positive and dynamic programmes that are attractive to the youths. They should include educational programmes that will be instructive both in morals and values as well as in trades and crafts and whatever else is needed. Mr. Deputy President, we need to have some pride and industry to be instilled in this generation that is going to take over the running of Barbados in the future and here is where a start can be made in the community centres.

Thank you, Sir, and I support the Bill before us.

SUSPENSION

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, it is now 5.40 p.m. and I believe this may be an appropriate time for us to suspend the sitting. I propose that tomorrow we meet again at 10 o'clock in the morning and we continue right through until we finish the business. I anticipate that, if we work for approximately 6½ hours tomorrow, we should be able to finish the debate. This is a presumption that everybody will speak. Even if everybody will speak, we should still be able to get through it in that time because we will not have the 2 lengthy speeches that we had at the outset today. They cannot be repeated tomorrow even with the winding up. I think we have gone long enough. I have alerted the caterers to have some sort of refreshment available by 6 o'clock so that we do not have to rush away. We can continue informal discussions elsewhere.

I beg to move, Mr. Deputy President, that this sitting be now suspended until 10.00 a.m. on Friday, March 27, 1992.

The question that this sitting be now suspended until 10.00 a.m. tomorrow Friday was put to the Senate and agreed to, and Mr. DEPUTY PRESIDENT suspended the sitting accordingly.
5.43 p.m.

RESUMPTION

Mr. DEPUTY PRESIDENT: This sitting is now resumed.

SENATOR A. J. N. PHILLIPS: Mr. Deputy President, I rise to support this Appropriation Bill and the Estimates. Indeed, the Government, acting as a responsible Government, would of necessity have to provide estimates in order to meet the challenge of balancing its budget against the background of the difficult times that Barbados is now facing. Against that background, Sir, I make some observations.

One observation relates to Barbados itself in the context of its size and its people in relation to the remainder of the world. The world's economy is in recession. It has been for some time, and is expected to continue in this manner for a few more years. The world's population is represented by 5.2 billion persons. The population of Barbados is 240 000 to 250 000 approximately. A quick, mathematical calculation by those who are prone to good mathematics will provide you

with what sort of percentage the population of Barbados is as opposed to the wider world.

I would like, before dealing with matters in the Estimates, to make some observations as to what is happening in Barbados and how I think these matters should be dealt with. I believe that the type of crime we have been experiencing in recent times is a different kind of crime than Barbados is accustomed to. In other words, there is an element of fear among most people of this country because of the happenings in recent times. They are unusual and people are justified in taking safety measures and justified in having the sort of fear that now exists. I believe that it is our responsibility to make every effort to redress this situation.

I believe you could easily compare Barbados, as it stands now, to a mental patient. A mental patient, invariably, when he enters the hospital for his first treatment is given shock treatment. I am recommending that this country needs shock treatment at this time. Shock waves need to go into the wider community to give a message. I believe some indication was given by the Rt. Honourable Prime Minister recently as to the way he saw how certain problems could be dealt with in order to send a message. Now, that would be what I would call the stabilising process of the human element. Like a country and its economy we need to restructure the human element and, in restructuring the human element, Sir, we need in Barbados to recreate our society where residents and visitors alike will feel once again perfectly safe in our environment.

There are a number of things that can be done in returning our country to the sort of tranquility and peace with the feeling of safety that we had before. I believe it is the duty of our Government to create that atmosphere which we were known for in order to give peace of mind. I believe that we need once more to look at redeveloping our culture to make young people aware of what really and truly is the culture of Barbados; to let them understand that the use of sharp-edged and dangerous weapons is not natural to Barbados. This is a sort of inherited culture which they need to understand is not good for the benefit of our country neither for its citizens nor for visitors.

Those of us who are at the age where we can look back and see what transpired in Barbados before, the kind of lifestyle which Barbadians had before, the kind of discipline that was instilled in us when we were at school, need to look back. That, Sir, I believe, would be the first stepping stone in returning our society to what we are accustomed. Indeed, if we look at what is happening, the age limit of the persons involved in violent crime invariably is under 25 years. Such persons never experienced the sorts of discipline to which I have made reference before.

We will have to have the continued effort of trying to eliminate the scourge of drugs as well. I know that every effort is being made to deal with this at all levels. I believe we will have to continue to do our best because, as I understand it, this substance so distorts the mind that when a person is doing evil he probably thinks there is nothing wrong. We will have to deal with that. We need to look at the work of our churches. We need to encourage the Church again to participate more with the development of our youth. We need the Church to take a more active part in having the usual Sunday schools instead of having them mixed with the adults' service because young people generally need to get the basics of the Bible and of the Commandments included therein.

I believe a number of festivals which we have in our country could assist a lot in the development process of which I am speaking. I think of Easter and I think of Christmas and of our Independence. Indeed, it is my opinion that these festivals could be used for fostering a closer relationship between all persons. I do not believe that just Christians should recognise Christian holidays and that they themselves should participate. Every effort should be made to have a dragnet which will include persons whether they are Christians or not in this exercise.

I believe that we need to have in Barbados and encourage very much, particularly at Christmas, situations very much like the Indian holiday in Trinidad, Divali, the Festival of Lights. My observation in recent times is that at Christmas time you see very few houses in Barbados illuminated, that is, with the Christmas lights winking and creating that Christmas feeling which we used to have years ago. I believe it would be a good thing if we could have a situation where districts could be encouraged to participate in a national competition where Christmas lights would be at every house in the district, where some subvention could be made available to people in order to assist them in this illumination process. Sir, I can picture Barbados, particularly at Christmas time with that sort of illuminated atmosphere tending to assist in the mind-building process which we now need. This I believe, Sir, is something that could be looked at. It is not a big thing. I do not think it would be very costly, but I think it would tend to harness people into a more sedate atmosphere and to give the country generally a feeling of togetherness among all peoples. Similar competitions, not necessarily of lighting, could be held on the other occasions, Independence and Easter.

Sir, let us turn to what is happening in the United States economy. Invariably what happens in the United States and Canada has a direct effect on what happens in the Caribbean, including Barbados. The United States' economy has been in recession from 1990 and, indeed, they are experiencing the deepest recession of all times. It is the 9th recession that the US has experienced since World War II. They themselves are finding it very difficult to deal

with their recession. Again, too, what is happening, and Barbados must take note of, is that the United States and Canada have signed a trading agreement where they now intend to use Mexico as the base for the development of this agreement.
10.10 a.m.

Now, it is interesting to note that the United States' approach to the development of their manufacturing is one where they have considered and taken the decision that as factories grind to a halt, they will stay halted. New factories will be constructed in Mexico. This also applies to Canada. What is happening is that the United States would be directly getting out of the manufacturing business with a serious loss of jobs to the US citizens. They want to develop that strong trading link by using Mexico where, obviously, the labour is a lot cheaper and then the United States and Canada together would be in a position to produce goods that are of a competitive nature.

Sir, this also applies to the Far East where these nations have banded themselves together. They will have the same sort of result. Goods already from the Far East are quite cheap. With the nations there banding themselves together, one can expect that there will be a further reduction on the cost of goods from the Far East thereby making manufactured goods extremely competitive.

I must comment on comments made by the Honourable Minister of Trade yesterday in his presentation. Indeed, the initiatives which he told us of are far-reaching. I would like to openly congratulate the IDC and the Ministry of Trade for the efforts they are making to develop trade in Barbados. Our efforts are up against a very competitive world. It is difficult for us in the Caribbean to have a competitive edge with countries where labour is a lot cheaper, technology is much more advanced and capital is easily more accessible. Therefore, it makes it extremely difficult for us to compete with those countries. It is very important that no stone be left unturned in our effort to create our CARICOM association to develop it to such an extent whereby we can help each other.

One of the problems I see here in the Caribbean is that we have a duplication of effort. Each country is doing the same thing. One wonders if after reaching this stage of our development if some meaningful exercise could not be carried out whereby some understanding could be arrived at where countries could produce goods that are isolated to those individual countries. Indeed, the sort of repetitive manufacturing process that we have here is not in any way helping the situation.

Sir, since I mentioned technology, let me say this. The technological advancement in the world is so great that one can see people who have been displaced in jobs in manufacturing hardly having a chance of retaining or returning to those same jobs because the technological advance is such that manufacturers are now looking more to goods that are manufactured by computer control where they are looking for less persons. This is the situation where countries and technologies advance that they do not then have to rely much more on the human resource. It is unfortunate to such an extent but, indeed, Sir, it is all part of advancement.

Looking, Sir, again at the United States economy and watching what is going there, I believe some Honourable Senator yesterday mentioned the collapse of some large airlines. Indeed, the other aspect that one has to note in the US and the US economy is that there is a merger of banks there because of the pressures of the economy. We recently saw the merger of Manufacturers Hanover and Chemical. There are more such mergers forecast for this year. Indeed they are projecting that by the year 1994 there would only be 3 banks in the United States of America.

We in Barbados have to accept that Barbados is a small country and we have to trim our sails to suit the weather. Indeed, before the presentation of these Estimates, the business community, the opposition parties and a number of other persons have been calling on Government to reduce its expenditure. Now that Government has had the goodwill to reduce our expenditure in a number of areas, we hear concern being expressed that the reduction in the areas has been too much, that we need to provide social services and continue with the same level of health care to which the country has been accustomed, why would we provide money for Sherbourne although in the other breath we heard yesterday we should spend money on the maintenance of roads and buildings.

All persons passing Sherbourne where you see exposed steel beams, those who have an idea of what would happen with steel exposed in the weather would know that if something is not done there, the repair of the damage would be a lot more than if we spent some money this year and in subsequent years to put the building at such a stage to safeguard the steel which is there. One gets a whole lot of double talk. People say things that make it difficult for us to understand what they really want.

I knew that it was important for Government to contain its expenditure. The business community has not been saying anything but it is common knowledge. Business people do not say when they are doing it. Business people know quite well that in order to survive, expenditure has to be reduced in order to meet revenue. This is being done quietly and effectively. A number of persons are being laid off because it is not that business people want to layoff persons but the businesses just cannot continue to maintain the level of staff which they had. In many other areas of business there have been serious cuts. It has not been in the area of employees only but in all other areas, of course, where possible cutting could

be done. Businesses have no control over the interest in the banks. But certainly all areas of business if people want to survive this recession, all areas where cuts are possible, the cuts have to be carried out.
10.20 a.m.

Sir, I am under Head 40 Trade and interestingly enough I recently saw an article in a book the name of it was "The Business Sri Lanka". Indeed in that book there was an article which referred to the development of an ornamental fishery project. I can make this, Sir, a document of the House. But contained in this article is an exercise whereby the author has shown where the Sri Lankans have developed this ornamental fishery project into a billion dollar project. Indeed, Sir, they have been able to breed all the quality ornamental fish that are known worldwide. As an ancillary to this they have been able to produce the fish food. They have been able to set up ponds whereby the hatching process is carried on. It strikes me that an industry like this would be something innovative. It is not known worldwide. Apparently, Sir, it is well-known in Sri Lanka but is not well-known worldwide.

One wonders if in our looking for projects if a project like this would not interest those persons in Barbados such as the Ministry of Trade and, indeed, the Barbados Government in developing a new type of industry which is not well known in the Caribbean but which, apparently, there is a very good market for this ornamental fish.

Indeed, Sir, all of us are aware that the presence of birds and fish in the home does tend to lend to the tranquility of your home, as you lie and watch them play. You tend to relax when you see these fish and these birds.

The point I am trying to make is that we need to look at new enterprises, enterprises which are not well-known in the Caribbean. Because of our climate it would definitely not be difficult for us to grow these ornamental fish here. We have tried out Tilapia and so on in the Scotland District with some success. I have every reason to believe that a project of this nature would be very well suited to Barbados. Again we need to identify projects such as this one. Other projects which we should have a look at would be projects where indigenous stuff could be used, such as further development of potteries and clay works and so on. Because it strikes me, as I said earlier, our being in a technological age, our being in a situation where our economy cannot be expected to recover within 1 year or 2, it will be necessary to encourage persons in Barbados to engage themselves in self-help operations.

I have observed a number of operations which are developing already whereby people have these Z vans, a lot of them produce food such as hamburgers and fish cakes and what not and they drive around to various industrial sites and to wherever there is a little construction going on and they make available this stuff by which they make their living. There are instances too where a number of persons now in varying districts have embarked upon the baking of bread which they sell to their friends and neighbours and this is assisting their pockets. We also need too, Sir, to have further development of industry, of our craft, our craft being the knitting of hats and making baskets. We need to encourage people into areas such as sculpture, areas such as woodwork and indeed for this sort of exercise individuals at their homes can produce the sort of stuff that can give them a livelihood. Because by and large I can see without this happening that it is going to be very difficult to reduce unemployment in Barbados or most places, as a matter of fact.

Again too it may be important for us to put more emphasis on our tourism development because I personally do not have a lot of confidence in some of the areas that we are putting a lot of stress and money in. Probably I am not in a good position to comment too strongly on these areas since I may have an involvement in another way. But I am not too satisfied that the foreign exchange derived is worthwhile when one bears the local cost for this foreign exchange.

It may be that we need to accept the sort of projects that can bring foreign exchange and without getting too upset over the loss of land for such projects. As I understand it, Sir, there are developers who are considering developing a number of golf courses in the south of the island. There is one project which I understand should go somewhere around June in the north of the island. This sort of development should be encouraged. When one considers and looks broadly at a development like that, that nowhere could the 2 400 acres or whatever it is involved planted in sugar cane produce the kind of revenue or employ the number of persons that a tourism project like that could produce. There is no comparison whatsoever.

I think we have got to be careful about getting too emotive about loss of land to agriculture and get too worked up over these things. I remember, Sir, when Sandy Lane factory was being closed, you heard a human cry about the number of persons that would be out of work and a whole lot of song and dance. Indeed if one looks at the development of Sandy Lane now and compares the sort of money that is turned over on that Sandy Lane estate and compared with when Sandy Lane was an active factory, it is very obvious that we would be fooling ourselves or continue to fool ourselves that if some land is taken out of production that it will throw the whole of agriculture in a tailspin.

What obviously has to be done is that the island has to look carefully at the land which is ideally suited for agriculture and have that land designed for agriculture. But we should be flexible on marginal lands. There is no point talking about retaining an acreage and you name a number 24 000 acres or 20 000 or whatever. I think that would

be foolhardy of us, as our country develops to take that line of thought. I feel we must be flexible. We have to make decisions as they suit Barbados best.

I know that the subject of gambling is always one that people shudder when they hear about it and the Church gets very disturbed when they hear about the presence of a casino and so on. I do not see any harm whatsoever in Barbados having a casino. That is my personal opinion. That is not the opinion of my Government. I am not sure what is my Government's opinion on that. But I see no harm. Because it could easily be so designed that nationals be not allowed to participate or that nationals would have to pay a certain level of fee to become members or that some sort of scrutinizing process be used to determine the quality of membership of a casino in order to keep out elements which you would not want in a casino.

We need to look at all these areas. That is an area that we cannot entirely turn our backs to because we are a Christian society. I believe, Sir, that again if you look at the situation in business when there are cruise liners which are due in Barbados on a Sunday, certain companies are allowed to open their doors in order to sell tourists stuff. I am of the belief or firm opinion that employees working for those companies that it is entirely optional for them to work on Sundays or not. One wonders why the entire business community, as is done in New York and so on, could not be allowed to open on Sundays. I see no harm. You can make it very optional. Those persons who are church persons will still go to church and probably they will attend the business house after. It would be optional to employees. It would not be a question of creating a society whereby there are no days of rest. But certainly on Sundays where people can be paid double time. It just may be, Sir, that as we advance as a people, as the country develops, that we must not take such a hard line towards these sorts of situations, once these things are done in an orderly and controlled manner. That is important.
10.30 a.m.

Now, Sir, let us look further at tourism development and sports since sports are directly linked with tourism. One would have to look at what is happening in sports in Barbados. As a Barbadian I am not satisfied that we are making the sort of progress in sport as we should. What used to happen years ago when one looked at cricket is that 70 to 80 per cent of Barbadian boys participated in the game of cricket, whether it be at the level of the cartroad or the beach, hopping ball cricket or whatever, or on the highways or wherever you turn. That is not the case now and I believe it is because the society has developed to a stage and that sport has developed to a stage where a number of sports which were foreign to us before have reached our country and of course the participants in these sports may have been persons who had been associated with our national game cricket.

If we recognise cricket to be our national game I believe, Sir, we have to treat it as such. In treating it as our national game a lot more emphasis has to be put on the development of young cricketers and every possible encouragement has to be given at that level, that is from the time you can walk. I am not saying you can make it compulsory but there should be some initiatives that should be designed to encourage people to participate in the national game.

As it is right now, Barbados and the Caribbean seem to be having a dearth of cricketers and this is an unfortunate situation. Again too, the islands, that is, both the Windwards and the Leewards, particularly the Windwards have surpassed Barbados in their production of top quality cricketers.

I believe that probably the encouragement of indoor schools, probably competitions among young cricketers whereby they would be playing towards a goal, whereby some incentives could be given for youngsters to participate in cricket, whereby coaches could be provided, who would not only coach the game, but who would go around encouraging persons to participate in the game of cricket. It is our national game and I believe it is important for us to protect our national sport.

It appears to me now, Sir, that horse racing through the presence of the Cockspur Gold Cup is now becoming the national sport because there is no event in Barbados that encourages such a large crowd at any one time, as does the Cockspur Gold Cup and International coverage of a magnitude not available in cricket or any other sport.

Talking about horse racing, Sir, I believe, that as a vehicle continued tourism development has a way of further advancing the good name of Barbados in the international community. Horse racing needs as much support from Government as government can give. It must be remembered that a high degree of income is generated by way of taxes and levies which go into the Consolidated Fund, but racing, if it is to continue to develop, needs more assistance from Government in order that Barbados can be looked on as a centre for racing in the Caribbean.

It is my understanding that some investors who, formerly expressed interest in developing an international race track here and a car racing track are again showing an interest in such a development. Whether they do that or not it is the intention of the Turf Club, Sir, and I declare an interest, to establish a track that would meet the requirements of international racing whereby, hopefully, sometime we would be able to encourage the horse racing people of Mexico and Puerto Rico and probably of Miami and so on to participate in racing in Barbados. With that, obviously, would come some support for those horse owners and for those horses coming from those countries.

I believe, Sir, that it is important that Government recognises horse racing as an industry and not a sport. A large number of persons, numbering some 1 200 persons are directly or indirectly involved in the horse racing business and every effort should be made by Government to encourage this sport.

Indeed, Sir, I can say that in recent times the Government of Barbados as those on this side have seen the wisdom of what I am talking about. Indeed it is fair to say a number of concessions have been given to the racing industry which is indeed encouraging. It is important that a comprehensive plan be looked at and a comprehensive arrangement be arrived at between the Government and the racing club in order to create the sort of situation whereby the Club knows for sure what would be the Government's commitment on any given situation.

At the moment Government has been quite flexible in recent times in allowing certain taxes or levies to be waived in order to assist the breeding industry. This I would want to commend the Government for but would further ask that a comprehensive plan be looked at whereby racing would become a bigger thing in our island home.

Indeed, Sir, if we could continue further to look at tourism and if we could compare tourism in Barbados with say the development of Tourism in Aruba it is very heartening to me, Sir, that in a country like Aruba there is not an employment problem. As a matter of fact most people are employed in the tourist industry. One wonders, Sir, if we have exhausted all the areas of our tourism development, if we have reached the level of plants whereby we can satisfy all of those persons who would want to come to Barbados. We must not look at a small downturn in tourism because we had a 5 per cent fall off or something like that last year. That is because of the world recession which obviously has interfered with international travel and shortage of funds too would have interfered with people who would normally have travelled. Our present example and what transpired last year is definitely not the sort of yardstick we should use. What we should look at is growth. As soon as there is recovery in the world's economy, and as soon as the United States and Canada have improved their economy where people want to travel again, want to travel to the Caribbean, particularly Barbados, one wonders if we are fully prepared for this sort of improvement which we should obviously anticipate when these matters occur.

Sir, I have little difficulty in associating myself with the Appropriation Bill as it stands. Under the situation I know it was not possible for Government to present any other type of Estimates than the one we have before us. Obviously, due consideration was given when the reduction was given to the various Heads and I believe, Sir, it is very safe for me to associate myself with this Appropriation Bill.

Thank you, Sir.

10.40 a.m.

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, the Estimates for 1992-93 depict Government's committed achievable objective of confining the operations of Government and constraining them within a balanced financial position in terms of revenue and expenditure. In order to achieve the objective, it was necessary for Government in their financial policies as exhibited in the Estimates to ensure that revenues are constrained and expenditures will be cut back and maintained within a certain percentage of the GDP. In order that this could be achieved, it was necessary that there be restraint in terms of Government's expenditure on wages and salaries. Various actions taken by Government during the present financial year seek to ensure that those objectives are, in fact, achieved.

The programme, therefore, which is displayed in these Estimates must be seen against a background of reduced resources which are available to Government. There is obvious need and understanding for the quantum and quality of goods and services which the Government can deal with which must relate to the productivity of the Public Service. It has to be seen against the background of the resources which are available to Government in carrying out their programmes and projects. When the revised Memorandum of Estimates of Expenditures and Revenues was presented in the Other Place, the Minister of Finance sought to indicate very clearly the basis on which he was producing what is described as a balanced position of revenue and expenditure.

Sir, when more than 30 years ago I had some involvement in these matters as a public officer, I clearly understood that it was necessary for Government each year to ensure that its current expenditure did not, in fact, exceed its current revenues and that the Estimates should be so framed that the surplus of revenue over expenditure would be available on an annual basis to meet some of the capital expenditure programmes of Government. In those earlier days, I also understood that you identify sources of capital income such as grants which might be available or loan funds which you will have and to make the necessary provisions over a period of time to ensure that when the loans raised were to be repaid there would be a sufficiency in a sinking fund to redeem those loans.

In addition, one understood very clearly that the expenditure relating to interest on loans raised was a charge against revenues in the country and that they would have to be met from the revenues earned based in the Consolidated Fund. Over the years, it has become abundantly clear that Governments in the last 20

years were not of that approach which treated the deficit budget as it was something to be used with all their might. Now it is absolutely necessary to control expenditure and we are reverting to the path we followed before. I am also in a position to say it is now happening to revenue. As an individual, you want to spend more than you are earning and you have to get the money from somewhere.

Sir, this is a very serious note to go to another matter. There are persons who have sprung up in this community not known to have achieved success in any of their normal exploits, but they have become paragons of wisdom. I have over the past year worked in the Ministry of Agriculture and I have avoided making pronouncements in the news media because they did not make me any Minister of Agriculture. Any success which we achieve in agriculture is done for the people and not for the news media. So I do not have to make an apology to the news media for what I say or do. If I am obstinate, that is a good quality. At least I have a total commitment to something. The media has reported in more recent times comments by persons relating to agriculture who have never dirtied their fingers in mud. But even if they have, they have not arrived in relation to their calling. The one who is allowed to speak, like a certain person who worked in the Public Service, is now an authority on everything under the sun. I am not an expert in anything, but I am a committed worker in anything I put my hands to do.
10.50 a.m.

I wish to make about three or four positions very clear before I get into the meat of the Ministry of Agriculture's programme. Somebody made a comment about the importation of sugar and that was dealt with adequately by the Chairman of the Barbados Marketing Corporation and there is no need for me to get into the sugar debate, as sweet as it is. However, sugar is derivative, it does not just happen, sugar comes from something.

The Government of Barbados received a report referred to as the Landell Mills study. In pursuance of its examination of the Landell Mills Report the Ministry of Agriculture – and I was not the Minister, I was not involved with it – but a submission was made which obtained Cabinet approval and among other things it was agreed that there would be an action plan for the sugar industry. This action plan would require the several players – meaning the Barbados Government, the BSIL, the owners of the plantations, the unions and everybody – to understand very clearly that if agriculture in Barbados, and sugar in particular, was to be revitalised, certain things would have to take place. Among these it was recognised that a substantial refinancing package for the sugar industry would be required, but it was emphasised that for this to happen there would be need for an overhaul of the organisation and the management structure of BSIL. That decision was taken in 1990.

It was agreed that there should be modernisation of sugar factories, not closing down of sugar factories. It was agreed that there should be a rationalisation of machinery, equipment and vehicle use which might – and note I say rationalisation – lead to the closing over time of some of the sugar factories, not like the closure of Carrington, which was done in the dead of the night. When confronted, BSIL denied in my presence that they were closing it, and when shown that they had in fact started to dismantle it, then they admitted that in fact it was happening. It was done without consultation with the unions or the Ministry of Agriculture. We knew after it had happened, but we are still believing that there is need to rationalise the factories.

We are not committed to the closing of Bulkeley Factory, as people have been led to believe. The Government has not agreed with that in any way, and there is a reason why. We agreed that there is need to reform sugar cane lands, but this is principally an activity of the private sector who own the majority of the sugar lands. This is why I made a comment about holding their heads in shame, because if you have an asset and you do not understand how to maximise the use of it to get returns, then you ought not to be in that business, you should hand it on to somebody else who understands how to make best use of the assets available to them.

We agreed that there should be a review of the cane payment system and both BSIL and the Ministry of Agriculture having agreed upon that, that has been implemented at least with respect to this year's crop. It was agreed that there should be a commitment to more efficient utilisation of byproducts of the sugar industry and I believe that there is some activity happening. It was further agreed that there should be a review of the agriculture credit system, to be followed by a restructuring of the existing system. This is a matter principally for the persons involved in the provision of agricultural credit, and the Ministry of Agriculture has an input to make, but it is not the agency responsible for agricultural credit. This is why it is necessary for me to react to this silly comment about obstinate stance.

The Ministry of Finance and the Central Bank have over the past 25 years or more been the agencies which have assisted the sugar industry and agriculture generally in relation to their crops, the planting of the crops, the reaping of the crops and the movement of the proceeds from the sale of those crops. It is not the Ministry of Agriculture. So that to suggest that a Minister of Agriculture must determine how the credit system is to function is not to understand the situation at all. Furthermore, the Barbados National Bank, established by an Act of Parliament, as a corporate entity has its Board of Directors, has responsibility for its loan policies and the decisions which will flow as a consequence of liabilities building up to that agency. It is the President of the Barbados National Bank, who happens to be a member

of this Chamber, his Board of Directors, who must determine what they want to do about the debt of the sugar industry to the Barbados National Bank. The Minister to whom they are answerable is the Minister of Finance, not the Minister of Agriculture, so anything the Minister of Agriculture has to say is a personal opinion and I made it very clear when I made my comment that it was a personal comment, and I stand by that comment. Any reasonable thinking person will stand by a comment that if you go and tot up liabilities you should be man enough to face up to your responsibilities, but do not hide behind a report done in two weeks to suggest that the National Bank or the Government is to be party to any write off of one-third debt up front. The Board of Directors should be fired if they came to such a conclusion up front.

My own view is that whereas somewhere down the line it may become absolutely necessary for the Bank to cut its losses by taking certain actions, that is a matter which cannot be pre-determined. The Bank knows what it has to do. I believe that BSIL either knows, or ought to know, what it has to do in the same way that the owners of the plantations that owe the Barbados National Bank should know what they have to do. They have to relate to the persons to whom they owe the money and try as best they can to solve the problems. The BSIL, as one of its early immediate functions, has to self-destruct its Board of Management. As long as they have that Board of Management, as long as they have staff of the calibre and the competence that they have at Warrens continuing, there will never be a turnaround in the sugar industry. They have to retire and go home. Some of them should never even have been there. They have no record of having made any substantial working contribution in their previous exploits. If the people at Warrens do not understand very clearly that they should look inwardly and see what their faults and problems are, complete the sugar crop, get the proceeds by whatever means and begin the next crop on a new footing with new players... It is because of my satisfaction that there is hope for the sugar industry that I am saying these things. It is because I believe that the future of agriculture in Barbados will continue to spin around the sugar industry for some time with other diversified agriculture and with other forms of activity on the lands, probably not to the extent as said by the previous speaker, because I cannot believe that we should give up any 2400 acres in any one area at one fell swoop. I could not believe that. Yet I recognise that in terms of the earning capacity of the land, the land will earn more from another type of activity than agriculture, but, there is much more to it than that.
11.00 a.m.

This country has to look at all sides of the opportunities and the possibilities. It cannot run down the road of a Bermuda or a Bahamas. If we do that, one of these days we may all live to regret it, or our forbears will regret it. So there is an important role for agriculture to play and an important role for sugar in this country.

The old guard must go and it need not be replaced by interlopers who are looking for their own personal advancement; to place the Sugar Industry Board of Directors in the hands of a person who literally ran from his last office to go and work for an insurance company. They should tell him, "Stick to the insurance company. Turn around Plantations Limited and its owners and its subsidiaries before you come to tell the sugar industry what to do." If he had any guts he would have remained in the Ministry of Finance and assisted the Minister in turning around this country.

This same official whom I see on the news media talking about restructuring of agriculture... The restructuring has to begin at Warrens with the Board. So let him start the restructuring there. He had the privilege of being a member, from 1990, of the coordinating team to define the strategies for the implementation of the action plan. He is privy to the information available in the Ministry of Agriculture as well as in the Ministry of Finance. Let him use that privileged information to assist and not to talk foolishness about devaluation. Devaluation is a non-starter. There is no point raising the question of devaluation. Let us find the alternatives to devaluation. By the grace of God, this little country which we all love will come through its difficulties and its perils without going the path of any devaluation.

It is recognised that not only is it necessary for the private sector to understand very clearly that it cannot, as in the past, rake off total profits from the sugar industry. It has to reorganise itself with the assistance of Government and whatever other agencies are involved to save the sugar industry and to save Barbados. It is not an effort of Government. It is a combined cooperative effort of all the players involved. We need to understand this. I am satisfied that the staff in the Ministry of Agriculture understand this. I know and I have said to the staff that some of them do not work. We will deal with that problem in good time. There are some of them there who should go home. They have wasted time. They take taxpayers' money and do nothing or they work for themselves otherwise.

Recently, Government provided incentives for agriculture. Can you imagine that staff of the Ministry and other public officers were lining up to get the incentives? We have an instance of one who works in an agency who has 2 acres of land or a half acre and he gets this incentive to get a vehicle. You see them in the twin-cabs. Look at the public officers in the twin-cabs and you will understand what I am talking about. Not all. Some have applied and have not gotten it yet. They may never get it. Those who have gotten drive their twin-cabs to their workplace day after day. I am not saying that we do not have problems in the Ministry, but I do not call that restructuring. We are well ahead of them and we are going to deal with them.

The restructuring that is needed for the gentleman's information, and for the information of Barbados, must begin at BSIL. That is why I took the opportunity to suggest to the former Chairman of BSIL that BSIL should accept the offer of Booker Tate. Booker Tate made an offer in the presence of officials of the Ministry to the sugar industry that they would come and do a preliminary review. One of the considerations was that there would be a change in the management structure of BSIL. I am waiting to see whether that will happen. If it does not happen, nothing good will.

What we also recognised was that we could not rush into the arms of Booker Tate. So Booker Tate was invited to do their review and in the recommendations of their review they indicated what they would wish in order to be able to assist the industry – and we believe they can assist – they would need, in respect of the crop year which ends around June, a 4 month contractual appointment. They made proposals and BSIL accepted these proposals, I understand, and asked the BNB and the Ministry of Agriculture to comment on them and also to confirm that Government would support the Booker Tate involvement with BSIL. The Ministry of Agriculture indicated that it supports the involvement of Booker Tate in principle. What we do not accept is the Booker Tate review, lock, stock and barrel.

This Booker Tate review is the place where you find the suggestion about the closing of Bulkeley. The closing of Bulkeley came from somebody in the Industry in the same way that the decision to close Carrington was taken. What was the effect of the closure of Carrington? The BSIL provides transport for the canes cut in St. Philip by mechanised means. So the small farmer who does not have his land in such a way that it can be cut by the mechanised transport is out in the cold. They gave us assurance that they would handle all the canes cut in St. Philip. This is the duplicity. I wish the field manager, if that is his job, would look into that instead of talking a lot of foolishness from time to time. He should work. They talk too much. That is the trouble. They always want to be on the air or in the news. I do not want to be on any air.

The small farmers in St. Philip, therefore, are going to suffer. Do you know what is going to happen? They will not go back in sugar. They would be fools if they cannot get their canes cut now. As it is they have to take them from St. Philip to Bulkeley, and there is the threat of closing Bulkeley. Do you want to tell me that the very people who should be encouraging the sugar industry to continue are the worst enemies to the sugar industry? I cannot understand the thinking which would ensure that having closed Carrington you now talk foolishness about closing Bulkeley. They do not consult anybody. The Ministry of Transport and Works has indicated very clearly that this proposal to make Andrews the main factory is inadvisable. They are even talking about closing Portvale after that. I do not know what is in their heads. I do not know where they went to school. The closure of Bulkeley is not on for the Government of Barbados, but then we do not own the factories.

11.10 a.m.

The Ministry of Transport and Works has indicated very clearly that the road system in Barbados was developed in such a way and it presently creates difficulties for maintenance of roads if substantial loads are used on the minor roads which have to go to Andrews Factory. If they go ahead and do this foolishness, they are going to embarrass themselves or the Government because the Government will be forced to reconstruct several roads leading to Andrews Factory. I told this to the Booker Tate person who met with me that the road system in Barbados cannot accommodate any movement from the St. Philip and St. George areas to St. Andrew. I hope they get the message and understand very clearly.

In rationalising factories it will be necessary to examine all of the infrastructure surrounding the movement of canes. In the same way that they talk about upgrading Andrews they should look at what it costs to upgrade Bulkeley which is central, which is more easily accessible. The road systems are built for heavy transport.

In addition, I can understand why you may want to reduce 3 operations which are not necessarily economically viable to 2. Even if you thought about that, you mean up front you are talking about one? You have not even examined it to see the implications of reduction from 3 to 2 and you are talking about one? Again, maybe I do not understand anything about planning. Maybe that is how planning is done.

I worked in the private sector for a few years and I did not see that happen in the private sector. I do not know where these knuckleheads come from that come out with these things but they are bold enough to write them down. Having bankrupted themselves in terms of money they now want to bankrupt the country in terms of sugar? We need 70 000 to 80 000 tonnes of sugar every year. We need to continue to satisfy the sugar markets in Europe where we sell about 50 000 tonnes. We need to find 10 000 tonnes for the markets in the United States where we can get a fairly good price. That is 60 000. We need 15 000 for our own consumption. That is 75 000 tonnes. When, therefore, they confront us with a story, because I do not believe they really know, that this year they are only going to get 50 000 tonnes, they would have known 2 years ago that they were moving towards this, if they understand what they are doing. Even in spite of the weather it cannot be that disparate. It might be, but I do not believe it can be so disparate for that projection.

They would have known they were reducing the acreage that they planted. They would have known

that they forced back and forced back to the point where the return from those acreages must diminish. These are things they would have to know. They have not been in it 2 years. I have been in agriculture in the Ministry for less than 2 years and I understand that. They have been in it over 300 years.

It is not a question of being smart. They are smart in another way. The debts have run up. If they can find a way out and abandon the debts, the poor BNB has been left holding the bag. There are certain people who are talking about sugar and they talk about the BNB finding money to assist the sugar importation. What they do not say is that when BNB came into existence, more than 10 years ago they were opposed to the BNB coming on the scene. I hold no brief for the party on the other side but they understood the necessity for an instrument like the BNB to influence certain activities in this country.

Aside.

SENATOR THE HON. L. V. H LEWIS: You do not know the story on that and I am not going to tell you. It is written in bold print. I know of no other person.

The BNB is an instrument of Government policy. When it came into existence it was supposed to be an umbrella organisation embracing several entities as early as the project development stage of the BNB. It was opposed by some of the very people who are going into warehouses and then going on the air and saying things contrary to what they say in the warehouse. I am not going to call their names. Any attack on sugar and BMC's activity is understandable to me because it then will strike at BNB. Let me remind them that BNB is being used in the way it was set up to function, that is, to facilitate the policies of Government when necessary.

The plan of these people was to reduce the crop to a certain size to embarrass the Government, or themselves, maybe, but since the people must not suffer the sugar would have to be imported. Who better to import it than we who grow it? Except that when asked about it they were able to clearly indicate the super profits that could be made. If you buy sugar on the world market, even if you pay duties, you would still be able to get the sort of assistance, the berry, that would help to keep the BNB down under their thumb because the monies flowing in would have been used to assist with the crop and assist to pay the distributors and the others. I am not calling any names. The persons who benefit up front from the proceeds of the crop would have still got theirs. But the BNB who advanced X monies for the crop would be the last person to get it. The lock-ups they had left on the BNB ever since I left that Bank would continue to mount up.

I have to be emotional in this. Which of you having raised a child for the first few years want to see it get into trouble? What human being would wish that for his child? The intention was to utilise monies from the surplus profits made from the imported sugar to prop up themselves, not to pay BNB, and then when the time came, in June – the next day of reckoning for the Government and the sugar industry is in June when we have to meet a large shortfall in the sinking fund. There will be a further shortfall in December. My own comment about that was that it is clear to me that the sinking fund was not being managed. I am not pointing any finger at anybody.

11.20 a.m.

But if in 1982 an Act of Parliament is passed which says that the Government of Barbados will provide support to the sugar industry, that the Government of Barbados will guarantee the repayment of any funds raised by the sugar industry by way of loan and by issue of bonds, they could not want it better than that. While they are raising the money, they are doing what they want with the other proceeds that should have been available when the bond money was not there.

Ten years after in 1992 the cows are coming home or the chickens are coming to roost because the very stroke of having BNB and BMC involved facilitates the opportunity of Government to get the surplus monies from the sales of the sugar to put it into the Sinking Fund. In June the Sinking Fund should have money. The Sinking Fund should also have money in December. They will not have the opportunity in June and December to do what they did in December of 1991. What did they do? The Financial Comptroller of that celebrated institution that should hang its head in shame proceeds to write the bond holders and say, "We do not have any money in the Sinking Fund to pay you the interest that is due to you on the 31st and we do not know if it will come." I am not using the precise words but that is what it added up to. In any event it is not our business. It is the Government who has to pay it. That is what the Act of 1982 provided. Not only that, the Government guaranteed the principal in relation to these sugar bonds but that at any date when the Sinking Fund payments fall due that these shall become a charge on the Consolidated Fund of this country. And yet you hear all this talk about privatisation. What privatisation? Privatisation when it suits them, not when they have to be propped up and the prop looks shaky, then, everybody else is wrong. They are not wrong any more.

I say let us have privatisation. I agree with it 100%. Let the sugar industry as from this day seek to privatise itself in terms of the classical model of privatisation. Let us see what the outcome is and let us understand clearly what the people of the country will have to pay towards that privatisation exercise. But do not conveniently use political means to interfere with the activities of the Government of this country. That is what is happening in terms of this whole sugar transaction. It is politically inspired, even although they know that the fall-out could do them

more damage. Or maybe, it does not matter. Maybe they have earned enough out of the plantations already and are willing to abandon them. But if that is their intention then both the Landell Mills Study and the Booker Tate Review have indicated that, in their opinion, there should be land holding companies. What the Booker Tate Review has not said is who should manage the land holding company.

What the BNB has to do is to take whatever legal, lawful action there is against BSIL on the one hand and against the individual plantations on the other hand. The Chairman of the Board I am sure can confirm that I have said it to them, in a private discussion, that they need to do something about their indebtedness and to make one or two examples, in the first instance. I am not only saying this now, I said it more than a year ago before I was Minister of Agriculture. You have to start somewhere.

The question is whether in 1992 they having had 10 years of joy with Government undergirding them with the sugar bonds, getting a commitment from Government for a minimum guaranteed price for the crop and still they are crying and still they want to take Government for a ride. This stupidness has to stop. That we have been brought to this stage in the development of this country where Government has been forced to remove incentives could well be a blessing in disguise.

They are not going to get any money out of the Consolidated Fund in June. They will get the money – the bond holders – from the Sinking Fund. And provided we have to import sugar on a continuing basis, we will also get some money for the Sinking Fund in time for December of 1992. So we are taking care of that this year. What of the future?

The Landell Mills Study and that Committee which I mentioned chaired by the Permanent Secretary in the Ministry of Agriculture with representatives of the Ministry of Finance and the Barbados National Bank came up with certain precise recommendations about how we could go about restructuring the sugar industry. But first and foremost, before anything else, it is dismantling of the management structure of BSIL.

Secondly, it has to do with what Booker Tate has come to do and will get assistance from Government in doing because BSIL cannot pay Booker Tate to do the Study. The Government has made a commitment to certain agencies like the British Development Division and the CDB who are looking at the possibility of financing the Booker Tate involvement in the sugar industry, that it will eventually result in a lessening of Government's earnings or incomes from these agencies. But is also Barbados. If Booker Tate gets the co-operation of the sugar industry persons, it will come to us with recommendations which, over time, will see a transformation of the sugar industry. They should be able to get out of their rut, if they take the advice in terms of the planting cycles and that sort of thing, if they take advice in terms of the whole structure of financing, the structure of management, the way in which they supervise the activities of the Sugar Industry Limited, things will go forward positively for the betterment of this country. But there will be need for their co-operation.

They should seek to put in all the classical models of privatisation which achieve... They should do that. In terms of the individuals who are indebted to the Barbados National Bank, I am not the Minister of Finance, I am not the Chairman of the BNB. But I would be very unhappy if they followed any decision to write off one-third of the indebtedness up front. We have not even sat down around the table and somebody is writing a report about write off? A certain gentleman has the gall to say that he met with a Mr. Chapman. I know Mr. Chapman very well. I have some admiration for Mr. Chapman and I would listen to Mr. Chapman. But I would not agree with him, up front. So the idea of any write-off for one third is out of the way, as far as I am concerned, up front. And notice I say up front. The BNB, after they have negotiated, may well have to write-off...They may have to take over some of the plantations lock, stock and barrel. I hope that if they take them over that they are wise enough to put them in the hands of responsible competent leadership so that there can be a turnaround of those plantations and that agriculture in Barbados is not regarded in the light that it is in 1992 when 1995 comes. I give them three years. I give them a lot of time to do and to show that they are competent at doing something. So, the ball is in their court. It is no longer my business I have said what I had to say about them.

11.30 a.m.

Let me turn to some of the institutions for which I have responsibility. I don't even know how long I can go on.

Mr. DEPUTY PRESIDENT: Seven minutes.

SENATOR THE HON. L. V. H. LEWIS: For the first time in here, for a long time, that I am really firing on all jets. Somebody wants to lend me 10 minutes. We have 2 institutions for which, as Minister, I have responsibility. The Chairman of the BMC is present. I am not altogether happy about the operations of the BMC, neither is the Chairman. He did not tell me so, but I know from listening to him from time to time. We know there is need for some revamping. Indeed we have appointed a task force which I hope can produce a report by the end of May which will give the Minister of Agriculture guidance as to how he can continue the operations of the BMC and the BADC in their present or in some restructured form. We have a commitment to that because we do not believe that either one of them is functioning as effectively as they can or are they functioning in the best interest of the people of Barbados.

Now I am not going to say anything about the BMC except that it runs an abattoir. The Chairman mentioned a number of things, he did not mention the abattoir yesterday so I can take liberty to mention that. The abattoir, run by the BMC, is an activity that needs replacement. This was recognised almost 10 years ago. Successive Ministers of Agriculture have been unable to get it done. When therefore I took the bull by the horns and called the private sector people who are into slaughtering or movement of animals slaughtered, the processors, I called the cooperatives people and farmers represented by BAS, I called them together to talk about the new abattoir. The Ministry is agreed that Vaucluse in St. Thomas may not necessarily be the proper location for the abattoir.

In the same way we know that Lower Estate was not a correct location although lands have been identified. What we have done over the years is successively identified lands which turned out sooner or later to be not necessarily the best location for this abattoir. In the meantime we have had to patch up the abattoir from time to time. It will pass the health certificates but what it will not do is satisfy the opportunities which we could have with a modern abattoir for export of certain animals slaughtered in the abattoir. We have to remedy that.

We obtained assistance from the EEC to do a study; we go out to consultants – and consultants are the bane of this earth, although before I was a Minister I was a consultant for about 2 years – but they are the bane of the earth. Don't bunch me because I am talking about consultants; there is one next to me and some across the Table. Consultants are good, they need to keep their feet on the ground always. These consultants came up with a project costing a lot of money – more money than the EEC was willing to give. So we had to go back to the drawing board and we will have to come up with something now which is manageable to them and acceptable to us. We have got to this stage and all of a sudden the processors want to pull the rug from under our feet. They want to set up their own abattoir to slaughter all the pigs that are going to be killed in this country. What they have not told me is that they are going to take all the pigs. They are going to take the pigs that are acceptable to them, so who will slaughter the rest? They want to set the standards to what is acceptable to them. The trouble is that there is too much selfishness in this country. Everybody wants his thing only. He does not see the side of the small man or the other man and unfortunately it is the politicians who have always to be taking the side of the small man, not that we necessarily get any thanks for it, not if you listen to the call-in programmes.

This country will have to have a modern abattoir. If it is private sector, I am happy. If it is a joint venture, I am happier but we have to have an abattoir. My comment about the processors is not aimed at saying that they are bad; they are making a substantial contribution towards this country. They even, I believe, export some of their products. If we are to get more into export, and we need it, then we have to have a modern abattoir or we may well end up now with two small abattoirs, because, frankly, if I am Minister of Agriculture I will not back up and have any fight with the private sector people if they want to build their own abattoir. I will capitulate and let them build their own abattoir but I will also recognise the absolute necessity to have a vehicle to assist the small man who will be rejected by them, when he is rejected, to ensure that the pigs of the small farmer are also killed and that the cattle, sheep and other things are also provided for. We have to replace the abattoir of the BMC.

In terms of the ADC, the grant to the ADC is being reduced. My own personal view is that the ADC and the Government of Barbados should in the shortest possible time develop the project for the Parks of the Island, the parks which were to run from the North of the Island right down to East Point and that the Scotland District, which forms a large part of the National Parks System should be given an opportunity. We should seek assistance from overseas and develop a national park structure. The lands which are presently managed, or mismanaged by the ADC, in the Scotland District, should be made available to that authority to be better used in a productive way. I say this because I am not happy about the capacity of the present ADC persons. This has nothing to do with the individual managers of that, it has to do with the organisational capacity to do something rather than the individual responsibility.

The ADC was given more than it could chew over the years and you and I know what happened with the Belle. Now there is an effort to bring the Belle back into production and we hear all sorts of stories without realising the people who make the comments about the Belle need to realise that an effort is being made at last to bring some of it into production, that the Prisons will take on responsibility for some of it and that small farmers, like the ones in the Ivy and that area, have indicated an interest in getting the land to do small farming, that lands will be available for small farming. The ADC then can concentrate on those areas of activity which are either developmental or which play a complementary role to the activities of the BMC. We may well see sometime in the not too distant future that we have, either two organisations operating in tandem or a single agricultural organisation satisfying the needs of the people.

Now, I have talked a lot and I have not even yet touched on the day-to-day activities of the Ministry of Agriculture. I will have to find an opportunity on another occasion to do that, sad as it is because the thrust of the Ministry of Agriculture must ensure in the coming year that the projects for Consett Bay and Skeetes Bay are proceeded with. That work, which is long overdue, is done

at Bathsheba to assist the fishermen. That specific control measures are instituted at Oistins Fish Market.

During this coming financial year, Oistins must be fenced. I have waited a year on the civil service bureaucratic bungling to get Oistins fenced. The funds were there and it took a whole year. The year has ended and it has not happened and now we have to go into the next year, to put up a fence. There is other work at Oistins that needs doing.
11.40 a.m.

In the meantime, the bad behaviour and the encroachment at the Oistins Fish Market will have to stop. In the same way at the Bridgetown Fisheries Complex, we have to try to ensure that it does not fall into the wrong hands in terms of that same sort of misbehaviour. We have to be firm in our dealings with the people who seek to make others uncomfortable when they go to the Bridgetown Fisheries Market. In terms of that, we have put in a Manager of Markets who has assumed responsibility for overseeing all of the activities not only at the fish markets but the markets in Bridgetown. The wayside markets which cause problems to people will have to be relocated. Work is silently going on a stone's throw away from here and, what MTW tells me, it is for markets. The area which is being prepared is located just across here in Palmetto Square and you look through to the top of Swan Street and the bottom of Roebuck Street. That is an activity which is to be used to relocate market vendors in the City of Bridgetown.

Let me also say that plans are in the pipeline for markets for persons in the area of St. Mary's and you see people outside of the building which could tumble down. They have been warned and I hope the Police will carry out their duties to remove them from the sidewalk opposite the St. Mary's wall. It is dangerous for traffic, it is dangerous for the pedestrians, and it is dangerous for the hawkers themselves because the Town Hall needs to be repaired. I am waiting to see how long it is going to take before the appropriate Ministry pushes down the two buildings next to the Town Hall which are Government properties and for which no rent is paid or received by the Crown. Somebody may be receiving it but I do not know. The Crown receives no rent for those two premises and they should be levelled and, if necessary, people should be allowed to sell in that area until we can relocate the minibuses a little lower down the road and start work on the Cheapside Market Complex.

I have expired my time. I am enjoying it. I could really go on until 1 o'clock but I thank you for the sufferance.

Mr. DEPUTY PRESIDENT: Senator Mottley.

SENATOR Miss M. A. MOTTLEY: Thank you, Sir. I rise to contribute to the debate of this year's Appropriation Bill. I do believe that, if I say that this is perhaps the most significant Appropriation Bill that this country has had to face, Sir, since Independence, I believe that I am on sound footing on that premise. Having said that however, Sir, I am a bit dismayed and I have listened to a great deal of talk for the last 9 days coming from all over. I really must say that I am saddened there has been an inability, I believe, to effectively communicate to the people of this country what these myriad figures spell for them in the next year, Sir, not only indeed what it spells for them but indeed how they must prepare themselves for their lives in respect to how Government's activity and the economy's activity, in general, will impact upon them.

Sir, there are those who will accuse what has taken place in the last week as a form, and I am trying to be as polite as possible in description, but it is said commonly out there a form of academic charade. That is not what I had in mind, Sir, but perhaps the other word is not parliamentary and, therefore, I will refrain from using it. But nevertheless, Sir, almost in a futile exercise and indeed the comments are too widespread for one to ignore them, Sir. I believe that having been presented with an opportunity where clearly this country's direction must change there was a failure by the public officers of this country to communicate in any detail how it is going to change and how people should prepare for it. Indeed, Sir, I would venture to say that the only element of frankness and commitment I have heard in the last 9 days, and I have no problem in admitting it, was the speech by Senator Lewis. I believe, Sir, that people panicked last year. This country went into a state of deep panic. While there has been some subsiding in terms of the open display of that panic, there is still a great deal of concern and uncertainty as to where we are going from here. I charge that there has been no success in trying to alleviate that concern and uncertainty on the part of Barbadians by this Place or the Other Place in the last 9 days.

Sir, I want to start off by quoting the words of the Prime Minister of Jamaica, as he still is for a few days longer, the Right Honourable Michael Manley in his farewell speech to the people of Jamaica some 7 or 10 days ago. In his review, he said that the process of social and economic engineering is not like setting a maths exam. If it is one thing that these Estimates bear out to me, Sir, is that it has been an exercise in arithmetical cutting without reference to a broad policy. Why I refer to Senator Lewis' speech yesterday is that for the first time in the last 9 days I have an indication of a policy that is motivating a Ministry, whether I agree with it or not. Sir, when you look at the Estimates and the cuts, there is no policy running through them. I believe that at a time as critical as this to the country's development the Prime Minister and Minister of Finance had a bounding duty to ensure his beliefs, as have been expounded particularly since 1990. Whether we look at his various speeches, whether we look at the Democratic Labour Party Manifesto, or whether we look

at the policy directives that dictate this Government's policy in this current parliamentary session, as was outlined at the beginning of this parliamentary session, there has been a considerable departure from those policy programmes and there has been no attempt to inform the people of this country as to what is the new motivating policy throughout Government's activities. We see cuts in various Ministries of a phenomenal nature, but yet we do not know what these cuts symbolize in terms of Government's policy. It is critical, Sir. It is not only critical to the average Barbadian but it is critical to anybody who is part and parcel of the economic activity of this country.

Sir, I want us to go back because in the context of things we are dealing with people and people respond to other people or to Government on the basis of their relationship with them and on the basis of their past relationship and experiences with them and indeed, Sir, on the basis of the confidence that has been derived as a result of that.
11.50 a.m.

All of us in here know that investment and economic activity is primarily founded upon that confidence. How can you have confidence when there are conflicting signals as to what you are doing, and secondly, there is no definite stated policy that says this is the direction in which I want to take Barbados in the next 25 years, and to that end these are the programmes necessary to reach that long term goal and these Estimates reflect that programme.

As I said, an attempt was made in the 1991 Manifesto of the Democratic Labour Party, but I think I can fairly say that this Government has departed so fundamentally from that Manifesto that to look at it now would be a pure exercise in futility. To evidence how far they have departed one needs only to look at page 8 where there is the reference "What Can We Cut?" and they go through, Sir, and I will quote it briefly. I am sure it is in the records already:

> "To cut the largest expenditure items (wages and salaries) ..."

They were cut in October.

> "...is to create more unemployment,..."

That has been done since October when over 3 000 people have been sent home from the Public Service and when, on the Central Bank's figures, which continue to be tardy in their publication of up-to-date figures as the statistics of this country, at September 1991, which I do not accept as being full, as found on page 87 of the Economic and Financial Statistics at February 1992, 18% is the unemployment figure given. A considerable increase, even on their own admission. That is a mere nine months after this document received circulation.

> "2. We cannot cut loan capital repayments.
>
> 3. We cannot cut interest payments.
>
> 4. If subsidies and transfers are cut, we jeopardize important social services such as HOUSING, HEALTH, EDUCATION, TRANSPORT, HOME HELP SERVICE, and all WELFARE PROGRAMMES."

That is a fundamental statement given by the Democratic Labour Party in 1991 and we have lived to see a total rejection and reversal of that statement.

Many accusations have been made that Senator Alleyne had been one of the primary architects of this document, and I have not yet heard him deny it, but if he was and he has sat by and seen the fundamental departure from that document, I would hope that he would stand up and speak out against it as a principle upon which this Government received its mandate from the people of this country. It is his bounden duty, if indeed he was the architect of that document.

It is not only that document, Sir. As I said, at the beginning of every parliamentary session, as we know, a Government outlines its policies and programmes that it will use to govern the country over the parliamentary session. It is those outlines that dictate year after year what these figures here should reflect in terms of Government's ability to execute those programmes that it adumbrated at the beginning of the parliamentary session. Once again there has been a substantial departure from that and the fundamental goals that were adumbrated by this Government at the beginning of this parliamentary session range from telling the people that they were going to provide more job opportunities thereby reducing unemployment. I have dealt with those statistics already and we already know that that is a mis-statement of the highest order.

They said on that occasion that they were going to maintain inflation at moderate levels so that the purchasing power of wages and salaries is not eroded. This is 12 months ago, you know, Sir, and yet when we look at page 80 of the same Financial and Economic Statistics of the Central Bank, where one would be able to find the movement of inflation in this country, the inflation rate for last year works out at 9%, when this same Government adumbrated in that same outline of their programmes at the beginning of this parliamentary session, that the inflation rate in 1990 was 3.1%. I see Senator Alleyne looking perplexed, but if he looks at page 80 he will see the movement of the index from 184.9 to 199.9. One thing I did well at school was Maths and so I can understand how to work the percentages. That 9% is their idea of maintaining inflation at the present rate, at moderate

levels so that purchasing power of wages and salaries is not eroded.

It is not only the movement in the inflation rate that has ensured that purchasing power has been eroded, when the inflation is compounded by the wage cut, that purchasing power has not only been eroded, it has been emasculated. These are the principles that were determined when all of us in here sat down at the beginning of this current parliamentary session. That is the moral authority upon which this Government rests to continue to govern the affairs of this country. If we go down the line, Sir, they talk about providing better health, education, training, housing and infrastructures and when I go through the Estimates I intend to show you how it is that that too is a serious mis-statement of the actions of this Government, and indeed the intentions of this Government, for the upcoming financial year.

I do not want you to feel that I am going to be blistering only, but I will also move on to tell you why it is that I feel the kind of righteous indignation I feel now, having had to deal with these Estimates over the last 9 to 10 days.

Sir, this Government also outlined on that occasion, at the beginning of the current parliamentary session, that it indeed intended to liberalise foreign exchange controls in this country, to encourage foreign exchange accounts and to be more liberal with the credit restrictions allowing far greater access to the productive sectors. That was in February 1991 when this Government said that. Despite having said that, far from seeing a liberalisation of the foreign exchange controls in this country, we have seen people being arrested at Grantley Adams Airport for foreign exchange, we have seen a tightening up and enforcement of those regulations. Far from seeing a liberalisation of the encouragement of foreign exchange accounts by people, particularly those in the export sector, the one major foreign exchange account we have heard about in the Press – not that that is the only one, but the major one which has been the subject of much discussion – the one given to Bartel and BET after the sale of the shares last year, not as you would have been led to believe in February, 1991. I am not even talking about prior to the elections, this is after a Government need not continue with its deception to the public of the country, because they have the mandate to rule for five years.
12.00 noon

This is the foundation upon which we sit in here, Sir, to carry out those programmes outlined. We come down the line further, Sir, bringing back life to the Industrial Credit Fund – I almost forgot that there was something called the Indust ial Credit Fund – because it certainly is not bringing back any light to the people in the industry. If one looks at the Prime Minister's statement at the beginning of these Estimates when he stated that as far as he was concerned the 3 major engines of growth upon which he intended to rely were tourism, construction and the international business of the offshore sector. Nowhere has manufacturing figured in those major engines of growth. Nowhere has the Prime Minister sought to assure the manufacturing sector of this country that he is committed, not only to their survival, but to their thriving. When we look at the movement of the figures for the export earnings of this country, even as recently as 1990, the figures were $244 million. In 1991, the economic and financial statistics only have figures down to August 91, but in those first 8 months of the year we were already seeing a decline of some $14 million, $184 million in 1990, $170 million in 1991. A decline, already in the first 8 months of the year, in the export earnings! If that is not enough, Sir, then the removal of the concessions as adumbrated by the September Budget, then as modified by subsequent statements later but still not providing the kind of sustenance that that industry needs to survive.

Of course, Sir, confidence being the major element of it, and when you look at that factor and you compare it with the fact that nowhere is manufacturing and industry to be found in his major engines of growth you could have well signalled the death knell to the manufacturing sector of this country.

A year ago, this Government, in February, outlined to this current parliamentary session its programmes and said that as far as energy was concerned it was its intention that there be sustained exploration and drilling programmes by the Barbados National Oil Company. What happens? In December 1991, drilling was suspended because the Barbados National Oil Company is unable to get a line of credit of $750 000 from the Barbados National Bank. Sir, these are substantial departures.

They told us then, Sir, that as far as agriculture was concerned they were going to increase the funding for research, and when you look at the Estimates for this year, food crop research is cut by half a million dollars.

We come down the line again. They told us that they are committed to the deepening of the regional integration movement in February 1991 but yet for the last month we have seen the kinds of accusations being hurled at the Government of Trinidad & Tobago. I am not getting into the merits of who is right or wrong but I am dismayed at the level at which we choose to communicate and to deal with the problems of CARICARGO because it can only hurt the relationship between the 2 countries. The manner in which you communicate and blame Trinidad does not allow for the fostering of good relations. In the same way, I would be equally condemnatory of the Trinidad Government were they to do it to the Barbados Government. This is the same Government which in 1986 criticised and cursed the Barbados Labour Party Government because it said it had spoilt the

relationship with the same Trinidad & Tobago. At what point do we start to reinvent the wheel?

Industry and handicraft. They said on that occasion that they were committed to expanding job opportunity and industry. The figures over the last year show a decline and not an expansion. I empathise with the Minister of Trade because as much as his good intentions may be there, as he tried to outline to this Chamber yesterday, I can tell him that if the Prime Minister's speech last week in the other place is an indication of the kind of support that this Government will give to him, it will be an exercise in futility for him over the next 4 years.

Handicraft. They talked about the expansion of the handicraft division a year ago on February 6th. I remember it well. What do we hear? By September-October rumours and panic within the handicraft division because of uncertainty as to its continued existence.

We go down the line to Education. We are now getting to the sad parts. This Government committed itself to a deal in education to provide continued training for people in this community. On page 4 of the Democratic Labour Party manifesto a quotation from the Prime Minister's address to the Barbados Community College on January 27, 1990.

> "I envision a society sustained by the highest possible levels of literacy on which is based a comprehensive curriculum and body of learning experiences for living and for livelihood implemented through a continuing life-long network of formal, non-formal and informal settings."

They said then in February last year that they were committed to the development of an educational system which both encourages and enables all persons to realise their talents to the full potential.

They talked extensively, not only about the formal areas of education like extending and reinforcing pre-primary, primary and secondary education in this country, but they went on to talk about vocational training, training at the Samuel Jackman Prescod Polytechnic, training at the Barbados Community College, and continuing adult education. Let us look at the Estimates. Does that reflect this? The Estimates on page 58, primary and composite schools. There has been a cut of over $18 million. That has received the major cut alongside with housing. Primary education has been the biggest victim of this Government cut and that is why I say that the cuts cannot be motivated by anything other than a pure arithmetic exercise being perpetrated by a teacher.

It shows no policy because all of us in here will know and commit ourselves to the principle that without a solid primary educational system the future of this country cannot be assured. Yet Maintenance of Property, Operating Expenses, Supplies and Materials, that alone has been cut by over $1 million. I do not want to hear that there are fewer schools. The truth and the reality is that that may be the case. The point is the level of sustenance that has been going to primary education in this country has been too low.

12.10 p.m.

You move down the line, Sir. The Samuel Jackman Prescod Polytechnic, which is an institution that trains people in vocational and technical trades, and a lot of the same people that we are complaining that are on the streets of this country giving trouble when you hear the cry, or you read the newspapers, that institution was set up to give a lot of young people the opportunity to acquire a skill so that when they entered the labour force there was a reason for an employer to want to retain them because they had a skill that the employer wanted. But no, Sir. That has been cut in terms of the training. This has nothing to do with salaries. This is purely in terms of its operation and it has been cut by over $305 000, one single institution like that at a time when we complain about the number of 16 – 20 year olds entering the law courts in this country. That is criminal.

The other secondary schools, as I have said, have been cut. When you combine that with the fact that the continuing education programme of the young adults has been cut by over 25%, that is another programme that would supplement the Samuel Jackman Prescod Polytechnic and reach those same youngsters who find themselves on the fringes of society.

Sir, it is a sad tale because these cuts in education are not singular. The National Training Board's Occupational Training budget has been cut by $1.8 million. I am not dealing with the part they need for the Structures for the $2 million because that has been done and gone. I am dealing now with the money for training itself. This is the same Government who, in my note, Sir, when I have done all the research and looked at every major policy statement of this Government in the last 18 months, has said that they are committed to the support of these training programmes in Barbados.

This is the same Government who has blistered the Barbados Labour Party for cutting back training in the early 1980s. At what stage do we stop reinventing the wheel? I must ask that question over and over. This is the same Government which said, as far as health was concerned, that they wanted to extend health care. A simple matter like extending the polyclinic hours to what they were in 1986 before they were cut back, they cannot even get that done.

I do not want to go on because we have dealt with St. Joseph's Hospital in here at nauseam. The Barbados

Drug Service which on February 6, 1991, in its policy programme for the parliamentary session the Government of Barbados said that it was continuing to expand the service and ensuring adequate access to a greater range of drugs in this country for the people who were recipients under that programme, it has been cut by $1.5 million, not .5¢, not $500 000, but $1.5 million at a time when people have less access to funds and at a time when welfare budgets have been cut significantly in this country.

You cannot look at any of these things in isolation because when we live our lives we cannot divorce the fact of our ability to go and work from the fact of good health or from sound education, or the ability to have a roof over our heads when the night comes. You cannot do that. Yet, this is the Government that cares. I am not getting into that. I believe people's experiences now have shown them what that level of care is.

I want to get in to the fact that all of that is the moral basis upon which this Government presented to this Honourable Chamber and the Other Place the outline of their programmes for this current parliamentary session. Sir, you in your wisdom will know the importance of the moral authority which this Government must have to continue to conduct its affairs in this Chamber. The actions of this Government in the last year and in this document, the Estimates of 1992-93, constitute a moral turn around from its position as outlined in February, 1991 upon which we expected that every time we had to consider the Estimates of this country we would be considering it in that light and on the basis of that articulation of those programmes and policies. But no, Sir.

I ask what moral authority do we, as Honourable Senators in this Chamber have, to continue to debate this matter which is so fundamentally different from what was presented to us in February 1991? Where is our moral authority in the Other Place? Yet we talk about a lack of respect for authority and morals among young people in this country. Then in the same breath talk about role models. We are speaking tongue in cheek. We are speaking 2 different languages. We are going to pay for it.

I have dealt with February 1991 purely, Sir, because the context of this debate is within Parliament and that was the major policy formulation adumbrated by this Government. The truth came home to roost during the course of the year, not the chickens. We saw a slightly more frank indication from this Government in the form of the Letter of Intent to the International Monetary Fund. All of a sudden, while going down a policy direction of maintaining the type of development we have had in this country for the last 30 years, we see in this Letter of Intent and, indeed, reinforced by the Estimates this year, a dismantling of the welfare state in this country and a dismantling of the model of development we have had.

Now, Sir, I am not getting into the rights or wrongs of that because that is a separate discussion in itself. I am saying that this Government has not the moral authority to do so without reference to the country. It is like I have entered into a contract with somebody to do x and instead of doing x they go and do y and z without reference to me. I quote from the Letter of Intent, paragraph 15 dated October 25, 1991 – it is already a document of this Honourable Chamber, Sir:
12.20 p.m.

> "The Government is undertaking a review of major expenditure programmes with a view to ensuring that social equity and criteria of need, adequacy and priority are taken sufficiently into account."

Do you know what that is, in effect, trying to tell us, Sir? That we are going back to a situation in this country where you have to have means tests, as happened prior to 1976. Wherever there is a means test, there is room for abuse because it means that there is no blanket right to certain basic social services to which we have had access in the past. These Estimates show the first step in that direction.

The Letter of Intent goes on to refer specifically to the Textbook Loan Scheme, the Education Scholarship Programme and other expenditure programmes.

But these Estimates actually show us the first steps to the dismantling of that welfare system. A look at the expenditure on the Textbook Loan Scheme will see that there has been a substantial cut of over $1 million on that. A look at the sources of Government's revenue will show that Government plans to take in $1.5 million this year from the students for the Textbook Loan Scheme. This is at a time when some parents are having difficulty in being able to send their children to school. All the denials about truancy in this country for the last year and a half, all of a sudden became true. Do you know why, Sir? Because they are now realizing that somebody who has been sent home from the public service, who has not yet received severance, who is the sole bread earner in the family, who cannot have... and who is facing a Welfare Department whose services have been cut back is having hell to find the bus fare which has gone up. And because they had to pay the increased water rate bill and the increased electricity bill and the increased grocery bill because of the addition of five percentage points on the consumption taxes last year, since this Government refuses to have a basket of basic food items exempt from consumption tax to show its ability to care. That person cannot meet increased cost for textbooks in this country. This is in a country where almost every member of these two Honourable Chambers has reached where he or she has reached by virtue of the fact of education. A country where education has been the primary reason for mobility in this country. But, Sir, there is a certain irony that he who gives is he who takes. There has been a certain arrogance that the Democratic Labour

Party has had over the last 30 years and indeed, Sir, a slight mis-statement as to exactly how free secondary education came about in this country. But there is a certain irony that he who has given is now he who takes.

Sir, health care, the dismantling of the welfare system continues. We see an additional $6 million anticipated in revenue from the Queen Elizabeth Hospital for health services where there were minimal fees in existence prior to the introduction of these Estimates. Sir, it is not us in here as I said and I continue to say.

We talk about having a social security network and a safety network which has already been emasculated at the end of last year. But I am not even dealing with those. I am dealing with those people who do not even get near the net. I am dealing with the thousands of women who do not have access to that network and who, in the past, have only been able to rely on the sporadic receipt of goodwill or the little piece of change as they would say that they might occasionally get from the Welfare Department. This is a recipe for social disaster.

The reason why I make these points, irrespective of the dismantling of the welfare system is that I believe and quite seriously now, Sir, that the Prime Minister of this country – and I have already dealt with the deception that has brought us where we are and I have already dealt with the fact that there has been a full and frank disclosure, however hard and late it was in coming, there has been that by the end of last year. But I believe that the Prime Minister of this country had an excellent opportunity to restructure, in a fundamental way, and lay the foundation for that restructuring by these Estimates. These are structural adjustment Estimates. These are Estimates that forecast a level of further outside manipulation by the World Bank and the Inter-American Development Bank sometime in the near future. These are Estimates that tell us that there is going to be a fundamental restructuring in our country but in a manner that is not planned.

And the reason I started off by saying that they indicated to me that there were arithmetic cuts, not based on any policy formulation is because, in the end, unless we have that overall policy formulation, that overall vision as to what type of development we want to see in this country over the next 20 to 25 years, these Estimates will spell that the success of any structural adjustment period will be delayed by a further 5 to 10 years.

What do we need to get out of this situation? We need to earn foreign exchange, we need to improve our balance of payments situation. We need to ensure that what earns foreign exchange in this country can continue to improve its earnings. If we look at tourism we see declines. I go by the figures of the Honourable Senator Clarke yesterday showing decline out of the UK, the Canadian and the American markets.

We need to ensure that tourism becomes a viable product and that we are not costing ourselves outside of the market as we have been doing. We need to ensure that there is proper management and marketing of our product. We need to ensure that we have at least a toe hold. But while we continue to remain uncompetitive in our prices, while we continue to have a situation where we do not have adequate airline seats coming out of North America we cannot ensure any increase in our foreign exchange earnings in tourism, while we continue, despite a statement in February 1991 in the same policy formulation committing itself to the expansion of training in tourism, we cut the tourism budget to the Tourist Board by $2.5 million. If one looks at the Explanatory Note on the page opposite, one will see that it includes training programmes. We have cut that by $2.5 million.

Where is the logic that informs this Government in terms of instituting programmes that reflect a proper and effective and realistic structural adjustment programme and not just one that is the result of an arithmetic cut across the board. We have to deal effectively with increasing the earnings in foreign exchange in sugar and the rest of the agricultural sector. Senator Lewis dealt in part this morning, Sir, with that. I said, on that earlier, that I was heartened to at least see some kind of direction coming from the Ministry of Agriculture, whether I agreed with it in total or not. But at least I felt that there was somebody in control. I wonder why I do not feel there is somebody in control at the top? And for all the Ministries, not Agriculture. The offshore sector has been surviving due to no help from Government but as Senator Bellamy has said in here recently, and they have said on numerous conferences recently, unless the social situation pertaining to the crime in Barbados improves we are going to lose that too. That is why I feel that $900 000 given to the police force for the purchase of vehicles, Sir, is a mere pittance in their ability to fight crime in this country. I am one of those who believe that they do not need more men but they need better management and more equipment. Not more men.

12.30 p.m.

These Estimates, Sir, should have shown us, how in addition to those 3 productive sectors that I have mentioned that we are able to earn or we are in part setting and laying the foundation to be able to earn foreign exchange from other areas, Sir. I heard Senator Clarke talk in here yesterday, Sir, about music and I would say, as I have indicated to him privately, that the way of ensuring that that brings in foreign exchange at the moment is not to find an artist and export the music internationally but it is to develop the industry.

Sir, while I say this, the National Cultural Foundation has not been given one single cent in an operational budget this year. Nothing from Government other than to pay salaries and one must therefore ask, where and how is

it able to conduct the mandate which it had on its establishment as being a developmental institution. It means that the National Cultural Foundation can no longer carry out workshops which it did up and down this country. It means that the plethora of dance groups, for example, that we saw in NIFCA last year, which were the result of these extensive workshops over the last 10 years, that has gone through the eddoes. We know fully well, Sir, that unless you expose the younger people to these arts at an early age and get their interest and then based on having received their interest you then develop those with potential, you are not going to have people in 10 or 15 years time to perform the arts.

You, Sir, in your wisdom know that too, and indeed any work in the arts requires hard work and practice but the NCF has had no budget operational or otherwise to deal with it. That is no surprise, Sir, because as the Minister has been forced to admit the NCF has not had audited accounts since 1988/89 and the auditors are already finding considerable irregularities, whether it is irregularities arising from the fact that somebody was going to Mannings with LPO's getting goods that were not for the NCF and when the Ministry wrote to stop it, the fellow went back again and got more. This is one time I will have to agree with the Ministry and say they are not liable for the further acquisitions. That is the kind of thing that has been going on and the NCF has not had audited accounts since 1988/89.

The only revenue the NCF has coming in now, Sir, is from the Queen's Park Theatre, the Queen's Park Steel Shed and the Queen's Park Art Gallery. That is used and will be used in the current financial year to pay light bills, to buy stamps and paper et cetera. They have no other money. So we have 50 people sitting down up the road ... Extremely poor morale. Because nobody gets on with the Director, nothing is being done and the only way they can stage the festivals like crop over or the jazz festival which, by the way, is in danger, is if they can get the money from Bridgetown. Right now the most senior members of staff are going about begging for money in Bridgetown to stage crop over. That is where we have come to.

Getting back to the point at issue, I am saying the Prime Minister could have used these Estimates to lay the foundation that this country needs to ensure increased earnings in the areas of foreign exchange that it now has, and new areas of foreign exchange, while at the same time ensuring a better and stronger economy and better and stronger living standards. You cannot do that if you emasculate the social sectors of this country. You cannot do that if you cut back training to the level that you have cut back training because, which work force are you going to rely on, as being able to have the level of expertise, to attract the same industries that the same Honourable Senator Clarke said they are going to try and attract from overseas. Where has the retraining come and this is at a time when Government continues to collect over $13 million in a training levy and $2 million being spent at the National Training Board. The other $11 million going into the Consolidated Fund and not even being spent on other areas of training governed by the Consolidated Fund via, for example, the Ministry of Education.

Sir, Barbados has no natural resources other than oil and natural gas in limited supply. Our greatest asset is our human resource. Senator Simmons says that in here all the time. Yesterday he talked about the brain power that this country has but yet, Sir, we are not seeing a commitment by this Government to put the expenditure behind it, to develop it to ensure that we have a population that is readily retrainable at any moment given the current pace at which technology moves internationally. That is why I say that these Estimates will delay the structural adjustment programme success by at least 5 to 10 years.

The Prime Minister had a perfect opportunity, Sir, to develop and lay the foundation, to carve the model of Barbados that would operate over the next 20 to 25 years and he has failed to do so.

You cannot, Sir, expect to ask labour in a country to take the brunt of an adjustment programme and then ask them to increase their productivity when at the same time, when you have increased the cost of everything to them you have cut back the salaries and those whom you have not cut back you are asking to apply and hold on to an incomes policy and at the same time you are cutting back and charging for services within Health.

You have no housing programme and those therefore who have no access to housing at the moment, have no way of feeling they have any hope in the future or the near future for acquiring such because they can't even get the money whether it is from the Barbados Mortgage Finance Company or from a commercial bank in Bridgetown to build a house.

When you emasculate a person's psyche in the social sectors that go to make up the kind of person that each and every one of us in here is, Sir, you cannot expect them to be the engines of growth for the development of this country. We are here, Sir, because of the fact that we have been fortunate enough to be the recipients of some kind of learning or training. The fortunate recipients of good medical care, the fortunate recipients of adequate housing that we do not have a roof over our heads leaking when the nights come giving us pneumonia or something so, unless you ensure the sanctity of the provision of those services you cannot have a work force that will take us forward in this country.

Mr. DEPUTY PRESIDENT: You have 4 more minutes, Senator Mottley.

SENATOR Miss M. A. MOTTLEY: I am indeed grateful to you, Sir. You cannot have a work force that will take you forward. I go back to the words of the Rt. Hon. Michael Manley that the process of social and economic engineering is not like setting a maths exam and I find, Sir, the words most appropriate, given the fact that my charge against this Government is that these Estimates have been the result of an arithmetic exercise without reference to an overall policy of where Barbados should be in the next 20 to 25 years.
12.40 p.m.

Mr. Manley has learned the hard way, Sir. He has gone all around the race course to reach where he has gotten. I still quote him, Sir, because I regard the benefit of experiences that you ask me to do in here all of the time. I say, Sir, that I want us to digest those words. The process of social and economic engineering is not like sitting a maths exam. So that when we cut, Sir, we should not have cut $305 000 from the Samuel Jackman Prescod Polytechnic. We should not have cut back the spending on primary school education in this country by nearly $18 million. Where would I cut? I would start cutting Sherbourne $2 million. I would start ensuring in the same way the Honourable Senator Lewis started off by saying that capital projects must be financed with grants or loans with a foreign component. I would have ensured that that happened over the last 3 years so you would not have had Highway 2A out of the Consolidated Fund. You would not have had Sherbourne out of the Consolidated Fund. You would not have had the St. Thomas School which has gone out of the Estimates this year out of the Consolidated Fund. Sir, already we are talking about over $60 million. We also would have had the fundamental belief that the concept of zero deficit, as dictated to us by the IMF, was not necessary and that there was nothing wrong in retaining a budget deficit at 1 or 1½ per cent giving us an additional $50 million or $60 million that would have not necessitated those cuts. That is what we would have done, Sir.

Sir, we have cut training. We have emasculated education. We have emasculated health care. We have totally eradicated any housing programme where the Ministry of Housing has almost become obsolete. The National Housing Corporation's budget has also been cut by $10 million and the Ministry of Housing by 50 per cent. Sir, these are the things why I said the Prime Minister had an excellent opportunity to reshape this country and these are perhaps the most important Estimates in our post-Independence development, because it is the first time a Prime Minister has had the ability to have that amount of room to restructure the development of this country.

I used to say, Sir, that one of the most exciting times was that I was born at a time when fundamental changes had already taken place in this country. It was the aftermath of 1937. It was the fifties, Sir, with the federation movement and the beginning of cabinet government throughout the region and the sixties with the independence movement. But I have now learned, Sir, that the task of my generation is to ensure the re-indexing of the productive sectors and the renewal of a new development policy and model for the countries of this region. It is to that, Sir, I wish to apply myself and the Barbados Labour Party to the task of pursuing that.

Thank you, Sir.

Mr. DEPUTY PRESIDENT: Senator Lewis.

SUSPENSION

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, it seems to me that we can cut hunger from our bodies by taking a break now. I move that this sitting be suspended until 1.45 p.m.

The question that this sitting be suspended until 1.45 p.m. was put to the Senate and agreed to, and Mr. DEPUTY PRESIDENT suspended the sitting accordingly.
12.43 p.m.

RESUMPTION

Mr. DEPUTY PRESIDENT: This sitting is now resumed. Senator Inniss.

SENATOR W. LeR. INNISS: Mr. Deputy President, as we look through the Estimates or even before looking through it, it is obvious that this is a time where, if we use our own Bajan expression, "We have to cut and contrive". As we look from Head to Head, it is obvious that every Head has had to be cut and it does not serve much useful purpose stating that we should have cut one Head and save the other Head. It is a question of everyone having to come together and help draw this belt as tight as one can.

Having said that, Sir, I would say that if there was any particular Head that one would have liked to see being left uninterrupted and perhaps increased would be Welfare. I say this from the point of view that in these days when people are losing jobs, both in the public and private sectors, various agencies will have to come to the assistance especially of our children and young people who through no fault of their own cannot sometimes get the wherewithal to live with any kind of ease. I, myself, am not a great proponent of welfarism because welfarism has something to do in terms of attacking your whole psyche. I believe in employment for persons who want to work, and who when they can find work, will do it and be paid. But we have to face the facts of life and, as Senator Simmons said, when we have finished the horizon we have to put our feet on the ground. The poor will be with us, if not always, for a very long time and we have to make provision for them. It is through our welfare effort

that some provision is made to ensure that those children go to school and so on.

In these days when things are not plentiful like before, it means that Government has to get the best for its money. I refer to a comment made by Senator Phillips who in suggesting that we look at other ways and means of raising funds when he spoke, for example, having casinos in Barbados. Now I am easy. It does not particularly matter to me one way or the other. I have no strong feelings one way or the other. But I would take issue with the point that when you try to control your casinos to ensure that it does not corrupt your local community that one of the things you should do is to exclude locals, for example, from the casinos. As I said, I hate to see a country have any facility whatsoever where the people of that country cannot go to. If it is not good enough for your people, never have your citizens as a second class citizen in his or her own country.

We have a kind of history and background that we can never forget. There are many people in Barbados who would never wish to go to the Royal Barbados Yacht Club. They do not have any interest in it. But it hurts them and it was galling to them to think that club was there and they could not go if they wanted to go to it. It did something wrong to their whole pride. When you have a country where the tourists are generally of one colour and the locals are generally of a different colour, you cannot say that people must not see these things in terms of colour and race. Although the legislation would not be passed along racial lines, when you see that the casino is full with white people and the black people cannot go in, nobody remembers that you are seeing the blacks are not going in just because they happen to be Barbadian. You have a country where you see all these white people from all over the world going to this casino and the most important and intelligent Barbadian cannot go in there unless he wants to break the laws of his own country.

Sir, I think it is not only with casino gambling that we must look at this, but we have to look at our whole tourism concept to make sure that we do not alienate local people. Tourism is important. It has to be. We have to make sure that we shun the appearance of evil. I believe that we can learn a lot from Brazil when it comes to tourism. They have some aspects of Brazilian tourism that I would not like us to learn. I would not like us to have the massages on the street, but there is something we can learn from Brazilian tourism. You always get the feeling that people of Brazil say, "Come to our country and enjoy our beaches with us". When you see the bikini-clad females at Copacabana and at the beaches, there is no question that that is not their beach but it is your beach and they must go aside. They say come on to the beach and enjoy our culture. It is heartening when you go to specific countries and you see the local people playing on the sand and the tourists are playing and mixing with them, and nothing can make them feel that they are second class in their own country.

Sir, I sometime wonder when I see these large tourism delegations travelling around the world what really do they spend the money for. If we think that if a person is giving up his afternoons to sit on the Board of Tourism, this is one way of giving him some kind of recompense – by putting him on a promotional tour to go to Europe, North America or where have you. Sometimes we hear the stories of Mr. "X" or Mr. "Y" that we see him when he arrives at the airport and you see him when he leaves the airport. I understand that our officials, and I am speaking from information received from other persons who have been to certain other tourist shows, non-Barbadian actually because I have heard from different non-Barbadians, turn up in great style. I was told of an occasion, I think it was in Germany, where some of the important German officials got held up in a traffic block but our own officials could not be so held up because their limousines had outriders, so they got along smoothly and quickly. It might not be true, but it goes to show the concept and how people think of us. We might be much better off if we sent some tourism workers to certain destinations to see how people work and how service and servility are not necessarily synonymous. Instead of people who just go to have their own good paid holidays, it might be useful if we give some on-the-spot training to our local hotel workers to see what goes on in other countries. We have to be very careful in these days of austerity how we spend our money. There is nothing wrong, if we can afford it, with giving some faithful fellows a little trip every now and then, but we certainly cannot expect to ask the ordinary citizen to cut and contrive and live in this lavish kind of lifestyle at the expense of other persons.

1.55 p.m.

When Senator Lewis was speaking this morning of management and productivity in the Civil Service, again it all comes back to the kinds of things we could get away with when money is free that we should not even think about getting away with when things are tight.

We have to pay very close attention to how we manage our Public Service. Let us take a look, first of all, at education. Things are really getting out of hand in this country in some areas of education. I saw a newspaper report recently, which I do not even want to believe, that a Parent-Teacher Association is now deciding whether a Headmaster should or should not be on probation, whether or not he should be appointed. We are becoming a little crazy in the country from time to time, the wires are being crossed. No one seems to understand what is his role. Parent-Teacher Associations must be welcomed to fulfill the purpose for which they had been set up. We are not suggesting they must just go and raise funds and make tea, they must have a serious input into what goes on around their children, but Parent-Teacher Associations cannot

run schools or the Ministry. It is not, and has never been, part of their function.

The PTA is not the only group to be blamed, we have to blame some Boards of Management. There are a few Boards of Management who are making themselves completely ridiculous. One of the things it boils down to really is this perpetuation of thinking that politics must take priority over everything else. I say, without any fear of contradiction, that too much attention is paid in too many things in Barbados now to political affiliation. I am not so naive as to believe that a political party when it gets into power must not have its interests represented on its various Boards and what have you, because clearly Government's policy is not carried out in the House of Assembly or in the Senate, you still expect your Boards to carry out your policies and you must have your supporters in certain positions. That is one of the facts of life, but if I have a watch to repair I will never give it to a blacksmith because he is my friend. I would look among my friends and select my watch repairer friend and put him to repair my watch. When I have a horse to shoe, I would look among my blacksmith friends and put him to shoe the horse.

I am saying that sometimes when one looks at the composition of some Boards, the only qualification you can see for some people having a job is that he is faithful to a particular political party. This has not happened last week, last year, or just the last two or five years, it has been going on for a long time and I would think that we have in the interest of our country to pull a little of the politics out of it. There are some political supporters who have to recognise that there are some things they cannot get because they are not suited for them.

Your chief reason for supporting a political party should be that you believe that party has the answers, or is able to come to grips with solving the problems of the country rather than that the party will give you something when it gets power. I think that too many people, including some in high places, when they are deciding which party to align themselves to, think in terms of which one they think will win the next election. That is causing us some problems. As I said, I want to make it abundantly clear, we live in a system of patronage. It is no sense getting away from it, but for God's sake, let those who have to make the decisions choose, even from among their own, people who can carry out the functions which are entrusted to them.

There is no reason why persons who are not connected with a particular political party and who have a serious commitment to this country and a serious contribution to make must be excluded from public life. I would hate to see us get like Jamaica where everything is seen in black and white, left or right. You are either JLP or PNP. There was this chap who thought at one time that he could trick the system. When the political gun men came and asked "To which party do you belong? Who are you supporting?" He said, "Man, I am neutral." They still stabbed him up. They said: "You cannot be neutral, get in gear." In other words, you have to commit yourselves to one of these parties. Let us avoid forcing those who have no interest in being in gear into getting into gear if they want to travel at all.

I am suggesting, Mr. Deputy President, that we take a serious look at our managers, because that is really what our Boards of Management of schools are, and recognise that you cannot go and do your own jobs, pursue your own private avocation six or sometimes seven days a week and then for two hours a night, or once a month, you can run the day to day administration of any school in this country. You are involved in broad policy, you are involved in getting the ear and finding out what is going on, keeping in touch and laying down broad policies. No Board of Management should believe that it can usurp the power of those who have to run the school from day to day.

Indeed, I believe we should examine our Education Act now that we have seen it work. I believe it has certain deficiencies. If you look at the Act and you put it alongside the thinking of some Boards of Management, some Headmasters would become so emasculated that they would be the persons who are paid the highest salary for saying the prayers and beating the few children who allow them to beat them. We have to put the management of our schools back into the hands of our schoolmasters. We have tried this centralisation and I would submit it is not working when it comes to our educational policy. We have to let those ladies and gentlemen who are at the heads of the institutions continue to run their institutions.

What is ludicrous sometimes is that you may find an Education Officer who might have tried to become the Principal of a school, without success, and then the person who got the job of Principal cannot control his school, the matter must be sent back to the desk of an Education Officer whom the Board of Management and whoever else made the appointment thought should not have got the job to run the school in the first place. He cannot run it up front, but he is now running it by remote control from a desk in the Ministry. We have to be serious. These things do not take Solomons to solve, we only need a little will to get together and solve these matters. What is so pathetic is that those who know what is going on will laugh and chat and tell you what is wrong with every school, and those who can influence the decisions very often will not lay a finger to assist in changing the unsatisfactory situation. I was very happy this morning when the Minister of Agriculture spoke. It was like a breath of fresh air. It is a long time since I have heard people call a spade a spade. What he said made a lot of sense. Indeed, Mr. Deputy President, it made me happy and I will say why. I was concerned that I am living in a country where

the Government could be party to such nonsense as in the sugar industry. I was among those who were putting, what now seems to be a larger share of the blame on the Government than the Government should have had or deserves. This is because the Government is very poor in its own public relations. It takes a lot of lashes and gives none at all.
2.05 p.m.

I think that the whole position is a downright disgrace, that a sugar producing country like Barbados could have the problems we have, running about importing sugar, getting suggestions whether it is good or bad sugar and all this stupid fallout on a radio programme. From my own thinking, I could not understand how sugar was privately owned and still the Government was getting all of this blame. Since the Government said nothing, I said these things must be things too high for me, that something was going on, that the Government had some kind of powers or control that I knew not of to allow Barbados to come to this foolish position where you cannot sell the sugar in a sugar producing country. It is a pity that more persons do not tell it like it is in that manner, and go beyond that to follow up and take action where action is due.

It is not only the Ministry of Agriculture or sugar that we have to look at to see what is going on. I think we have a crisis in management in this country. The private sector is not entirely without blame, but the reason why the private sector will get away is that, at the end of the day, the man who can fire you is the man who has his money at stake. He will make sure that, if you create enough problems in his workplace, he will get rid of you because his future and his children's future and all that he has worked for, over all the years, are tied up in it. If you cannot manage, he will find somebody else to manage.

I think the Civil Service has to be seen in the same light. For some strange reason, you believe that Cave Shepherd Co. Ltd. needs management. When you are in charge of Cave Shepherd, you are a manager. Bryden's needs management, Banks needs management. They must have management to grow, but when you come to the Civil Service people do not tend to think of civil servants as managers. If you have to run the country, what else can you be but a manager? I believe that many of the civil servants do not see themselves as managers and that is one of the problems.

A former Prime Minister once described the Civil Service as an army of occupation. He was quite right. People who do as they like and they cannot get rid of them. That is the perception.

I am saying I cannot see any legal, ethical or moral reason why it should remain that way. There is no law that you cannot fire a civil servant. There are people in every branch of the Service – some we know of better than others – who should never be drawing the public's wages and salaries, week after week, and month after month. Some of them should be put in prison for drawing money by false pretenses.

It is a disgrace that you send a letter to some Government departments, follow it up with 4 and 5 more and send all the copies and occasionally, nowadays, after waiting for a year, and having to ask whether you have to seek the assistance of the Ombudsman for a reply, sometimes someone may vouchsafe a formal note saying, "your letter is acknowledged and we will communicate later." Of course, that is the end of it unless you write some 3 months later.

We have to look at our Civil Service and look at serious civil service reform. The surprising thing about it is that both political parties have from time to time spoken about the need to reform the Civil Service. We come to the question, who will bell the cat? It seems as though the Civil Service cat is such a funny cat that no one can grab it to bell it. I cannot understand the reason for it. What happens is that when you find an incompetent civil servant, you tell him nothing. He comes to work when he wants to, goes home when he wants to. He leaves when he wants to leave. When you find a very incompetent civil servant, what do you do? You put him on special leave. What does special leave mean? You pay him his full salary to go and look for a job doing something else at home.

There are civil servants in this country who have been on special leave for months and months, drawing money every month from the Treasury. If they are painters, they can go and paint houses. If they are farmers, they can go and farm. If they are customs brokers, they can go and do customs brokerage. In other words, because there is somebody who does not want to make a decision, the taxpayers of this country are burdened by paying people money to stay home, that is whether you are in the Civil Service proper, parts of the Teaching Service, the Police Force, or anywhere you get Government cheques.

I would like to see one business place in Barbados that would write for 6 months a cheque for a man who is not sick and there is nothing wrong with him, who goes to the beach every morning and who turns up at the workplace at the end of every month for a cheque. His only association with the workplace is to receive that cheque.

I suspect that what the people in charge of the Civil Service are probably saying is that he might have been taking the same cheque for the last 2 years anyhow and he wasn't producing although he was turning up. At least he should be made to turn up until he is turned out. We have to be very careful, as I said, because this thing is becoming worse and worse.

I believe that one of the factors that aggravated this situation was the amendments to the Constitution in 1974. I believe that the then Prime Minister, believing that since he had an army of occupation, one way of handling it was to bring some people whom he could bring and whom he could send, to whom he might give and from whom he might take.

It ended up that we eventually got the worst of both worlds. What happened is that your political party or Minister would bring you in but when the electorate sent him you remained there. It means that the new Minister who comes in has no confidence in you and you have no loyalty to him. So you find Ministers fighting day in and day out because they believe Mr. X is going to sabotage them or is actually sabotaging them. You find people now saying that the Minister overlooked them. Officially, the Minister is not supposed to be doing so, but the Minister overlooks them because he believes they belong to the other party.

In some corporations you find it as well. One says: "the other side put me there so I am loyal to the other side!" The present side says, "we have to do a little adjustment because we need people to carry out our work." I think when we come to any civil service reform, we have to decide if we can have a fully independent civil service or if we need to take a leaf out of the American's books and have a certain number of key advisers come in with their political party, on the full and clear understanding that they go out when their party goes out. We cannot have people brought in by a party and continue under another party, if their position was a strict political position. We have saddled ourselves with the worst of both worlds.

Again, Mr. Deputy President, we have to look to see if all our Government departments are being fully and properly utilised. I can remember some years ago when the data processing office was set up that there was rationalisation. I believe that the person who was giving the whole rationalisation is with us here this afternoon. It was to rationalise how the various Government agencies would all feed into this central situation. My understanding is that things have broken down somewhere along the line. Some people decided they wanted to do their own thing. They did not want to go to any central place. Some would either set up their own situations or do nothing at all.
2.15 p.m.

Having set up a data processing unit to process the work of the entire Government Service and half refused to utilise that service, does it not mean that we have an under-utilised unit across the bridge where people are being paid, some not through their own fault, and not being given enough work to do? Who is looking from time to time to see when these anomalies arise to rationalise and reform them? The taxpayers cannot allow themselves to be continually paying for this gross inefficiency. As I said, the more things become difficult, the more you have to look at your dollars and cents and make sure that you are getting value for money.

Again, we look at the whole disciplinary procedures in the Government Service. Nobody can tell anybody anything. I can remember a few years ago things were so bad in the private sector, the boss man could just have a bad dream at night and come in and fire you the next morning. We have gone a long way since then. The private sector now knows it cannot do that except, of course, they want to write cheques, and some people have been given nice hefty cheques for that.

The point is, in spite of that, management in the private sector still knows that when they have people who refuse to work they can send them where they live because they do not bring them there for love but they bring them there because they want work. They have come because they want wages. Just as the private sector recognises the need for productivity if you want to be paid, why cannot the Public Service recognise it?

As I said, one difference is that nobody seems to be in charge in any Government Department. Probably the fact that everybody from the messenger to the Permanent Secretary has the same pay master, they have to wait for the same decisions to be made by the same group and nobody can deal with anybody else, which is absurd. You cannot put the blame on the Public Service Commission because it is not a permanent body up there sitting down reporting for work from 8.00 a.m. to 4.00 p.m. every day.

We have to look at the channels through which these matters get to the desk of the Public Service Commission. We have to find out why a person must be suspended for so many months. Why there must be so many aborted meetings before anyone can be disciplined? Why you can have people who have never worked for a decent day's work in their life and if you promote someone who is a grade below them they feel they have a right to be promoted, and they are going to pull the whole Government Service down because you find that the greatest qualification in the Civil Service is old age? I am older than you. I had my job 6 months before you and I must of necessity be promoted before you. That is completely absurd and leaves no room for productivity.

Mr. Deputy President, I say that the Government needs to sit together with the workers' representatives. I believe that some of the unions that represent Government workers are not taken seriously enough by Government as an employer. We have to recognise when Government puts on the hat of employer it has to operate differently from when it puts on the hat of a manager of the country in its entirety. Correct systems must be set up for dialogue between trade unions and representatives. You must not have the frustrating letters from unions to their

members, saying they cannot get a meeting or this matter has been adjourned 15 times. You have to get together as employer and employee, because that is what you are, working out the terms and conditions for the workers. At the same time, the unions must be made to understand this is a business like any other business. When members do not keep in check, they would have to have them marched out.

I think we have come to a stage in Barbados where persons can be rational and where the unions will understand that they cannot sit and support inefficiency. Once they are given the respect that is due to them and they are given their hearings, then they can stand up against their members and cooperate for discipline to be meted out in whatever form it has to be.

Mr. Deputy President, at any time when we are looking at this reform in the Civil Service, as I have said I have heard this expression so often under so many Governments that you wonder what is the impossibility. Why is it that nobody has the will? We would ask that they should look at all aspects of the Government Service.We have an interesting position where some persons' jobs are entrenched in the Constitution, and rightfully so. Because of the particular jobs they have you must have it entrenched in the Constitution to give them some kind of protection from undue influence. One normally thinks in terms of political influence although there could be other influences that motivate and militate against persons who are in some positions.

One of the things that, to my mind, needs review is the almost absolute power that a Director of Public Prosecutions may have. This is a very strange position. The Director of Public Prosecutions is the only person constitutionally who can initiate law suits or who may bring a law suit to an end. Now, you may find a person who is a director of public prosecutions may be promoted to being a judge. When he becomes a judge there is a court of appeal to review his decisions. If you do not like the Court of Appeal decision, there is a Privy Council to overrule. But when he puts on his DPP hat under his constitutional powers it seems as though he can do no wrong. He speaks *ex cathedra.*

We cannot have a Director of Public Prosecutions whom a Minister, whether it be one of justice or injustice, a Prime Minister or any Minister could just pick up a telephone and say "prosecute or do not prosecute". Clearly he needs to be removed from the political arena, from being influenced and having pressure. What makes a DPP infallible? Why cannot he make mistakes like anybody else? If you call a high court judge and other persons to set up a Commission of Enquiry and those persons who set up the Commission of Enquiry are of the view that the evidence disclosed that someone may be liable of some criminal act, a judge and others decide this Commission has examined all the facts, we have heard the witnesses, we have all the evidence and in their opinion criminal charges ought to be brought against x, y or z. A Director of Public Prosecutions refuses to do anything. Is it that he has all the wisdom? Is he wiser than the other persons who had all the evidence?

I am saying that we need to have a review of a system where it is clearly set out the channels by which some others can decide whether or not that prosecution can be brought. I am not dealing with a case where you want others to direct the Director of Public Prosecutions to stop prosecutions. I am not going down that road at all. When he exercises his judgement to prosecute we have the Law Courts, the Judges and the Jury to decide whether he was right or wrong. But when he fails to order a prosecution when, in the eyes of serious other persons, including persons who have even sat as I said as Commissioners, there should be some channel to ensure that justice is not only done but might be seen to be done.

Only recently we had a case of someone who died while he was in police custody. If that man's relatives should initiate proceedings of a criminal nature in the Law Courts, those proceedings cannot get to the Assizes unless they are adopted by the Director of Public Prosecutions.
2.25 p.m.

Suppose for some reason he decides that he is not going to do it, is it that if there is *a prima facie* case that there is something that should be investigated then it must die and must not see the light of day. I am saying that the protection of the integrity of the office must be preserved, the independence of the officer must be preserved, but nevertheless the public must be satisfied that there is no one man or woman... I do not care who this one man or woman is, whether you be a Governor-General, a Prime Minister, a Lord Chief Justice, we are all human. And just as the Chief Justice's action or lack of action can be open to scrutiny and review we are saying that there should be no doubt whatsoever that in the area of prosecutions, the action must be open to review. I want to repeat I am not advocating any changes that would give any body or person the right to order a prosecution to cease, I am discussing to order a prosecution if it becomes necessary by serious judicial tribunal.

Mr. Deputy President, as I said we must keep looking seriously to see if we are getting value for money. There are others who wish to speak and there is no point my going over ground that has already been trod. We have had some good contributions and there is no need to retread it. But the two areas that I thought I would mention were areas which have not yet been dealt with. I am saying that I would like to see the powers that be get the will, get the strength to forget things or not forget things – because a matter like civil service reform does not have any immediate votes in it – to forget votes and remember

the country. Because you plant vegetables does not mean you cannot have some flowers as well. You know some people will tell you, you must plant food and not plant any flowers at all. Certainly not. We have different aspects of us.

Similarly, unless it is a silly, political party which will now go after things that will get it re-elected, it would deserve to be re-elected if it did that. But there are some areas that may not have much re-election value but which have national value.

I am saying that there is so much great wastage in the civil service in all respects, it is about time we stop talking about civil service reform and let the country see we are serious and set about doing it. Because there is too much frustration, too much anxiety, too much indifference. What worries me is this indifference is often directed towards poor people who have no mouthpiece, who cannot get up and shout. But as I always say, I might have said it here before, I will say it here again, if you want to buy a pair of shoes and you get bad treatment from one store in Bridgetown, you can go to other stores. If you want to get the services of a Government department and you get bad treatment in that department, there is no other place in Barbados you can go to get that particular service. Therefore civil servants must be made to understand that they should be what their name implies, the servants of the people and not the masters of the people who have them there.

Thank you, Sir.

Mr. DEPUTY PRESIDENT: Senator Walkes.

SENATOR Miss YVONNE V. WALKES: Mr. Deputy President, the Estimates of Government Revenue and Expenditure for 1992-93 is set within the framework of the Letter of Intent. I think that almost every person who got up to speak established that fact, although the Opposition seemed to say that, there is still this constant talk that they would not cut and they almost went down the road of not cutting anything at all, until they were put on the spot and the last Opposition Senator did at least at the last point say a few things that she might have allowed to be cut. But I think if we are talking about operating in terms of the Letter of Intent which has set itself certain goals then we must recognize that we have to reach those goals.

I am saying that in 1991 recognizing that the economy was contracting, the Government realized that there was a need to put certain measures in place to contain the fall and ensure growth. I am not an economist but my little knowledge of economics says to me that this year the Government managed to have approximately a 1% growth which would suggest that we have stemmed the tide of contracting and we are at the point of stabilizing the economy. I am saying that that 1% growth is marginal. The growth needs to be continuous. At least we are starting to stabilize. And therefore, the way how I see it, the Estimates have looked at priority areas to continue having reasonable subsidies allotted to and where there could be cuts they have looked favourably at having those cuts.

I am going to mention a few Heads. The area of Housing. When Senator Mottley spoke she said that there is no Housing programme and therefore the people have no hope. I would not agree with that. I am saying we recognize, yes, that there are cuts in Housing but the vote of the NHC still allows for Housing to carry on a programme. So we cannot say that there is no programme. What is happening is that these cuts would at least allow the NHC to recognize that they have to be efficient and they have to improve that efficiency and they have to cut back and furthermore it will make it more competitive. I am talking about carrying on the programme. There is a programme and you can look at Head 37 and recognize that there are terrace units in Church Village, St. Philip. Sites and services programmes are going on in some places. There is provision in the vote for the continuation of this programme. Various areas, here next to page 81 the Valley, Rices, Haggatt Hall. We even have an area in Six Men's, St. Peter where the sites and services programme is being carried on.

What I am really calling on the Government for – I can understand the whole question of people not being able to get money from the banks because of the economic downturn, is to put a scheme in place where people can pay for the house spots on a long term basis. They might have to pay down payment but this does not mean that they have to buy the spots right away in full, that there must be some way that they can continue to pay for these spots. There is a great demand for this because in some of those areas people were in a habit of renting house spots before. I am saying that there is a need to ensure that this happens.

What is beautiful that is happening in that Six Men's area, in terms of a positive for the area is that – and I think that we should continue this in the housing developments – there is a church being built and there is an area being put aside for recreational facilities. I think that we should encourage this concept of having churches and recreational facilities in every housing area that is developed. Rather than have big, massive housing estates, I am saying that small ones can be created and then have churches and recreational facilities in the area. I just thought that I would raise that point about housing because I think it was also raised in the Lower House that there is no Housing programme and therefore something as ludicrous as that the Minister should go home, as though the housing programme is the only area of Housing and Lands. I thought that I would raise that.

Let me just look at another area and just in a small way I am going to make a comment on it because the whole question of Education has been raised in the House during this period. I think Senator Walcott yesterday spoke on education and I remember there was this question raised about – Education under Head 34. You do not have to look for the Head necessarily because I am not looking at the vote necessarily – the financing of tertiary education and that maybe we should stop financing tertiary education. I cannot agree with that statement. I am saying that I think that we should try to preserve education as a free institution. The Democratic Labour Party has been very good in this area and I think we should maintain that.
2.35 p.m.

I have a problem with the statement because I think somewhere along the line, the working class, which is the biggest class in this country, are the ones who would benefit from that tertiary education. Although you might say that it is higher education and by that time people should be able to support themselves. Some children go straight from school into university to get their first degree. Therefore, I think, if that is brought to a halt, then the country in itself would be suffering.

Even when you have interviews for scholarships and things like that you will find that children who come for the scholarships out of university, a lot of them, their parent, most of the time the one parent, a mother, is not working for a large amount of money. She might be a maid or something like this where she is not getting even $180 a week and even at that point they are dependant on that parent for money to send them to university. When referring to financing tertiary education we might be looking at the upper class and the middle class that might benefit at this point. If there is anything to be done in terms of cutting that tertiary education one would have to question whether students should pay after they have left university not necessarily in the first or second year, but pay after a while. This would also mean that they would be committed to working in the country.

On the one hand we would be looking at the tertiary education, maybe at the University of the West Indies and we are leaving out the education when people get scholarships and go overseas. Most of the time the upper and middle class children are the ones who get those scholarships. I only remember in the last few years, one working class girl getting one of those scholarships. Whereas they are not, if one could say, necessarily committed to paying back for the education and committed to maybe returning home to work for a period: Demanding payment for tertiary education would cover a cross section of working class children just because they would be at the UWI, Cave Hill. We have to carefully examine that. I thought I would raise this matter because Senator Walcott raised that question yesterday.

Mr. Deputy President, I want to get on to another matter that was causing some concern last week and earlier this week in the Lower House: The whole question of the vote for the Caribbean Broadcasting Corporation. It is under Head 13 where the vote is allocated, the subsidy. There is this argument that CBC has not been cut like the other corporations. That it has not been cut by the Government because the Government wants to use it for its political advantage and propaganda, whatever the comrade would say. I think that is what the comrade is saying that the Government wants to use it for political propaganda. That is what the Senator is saying. I am saying the Barbados Labour Party has used the CBC as a political football before and therefore they think that is what the present Government wants to do. I am saying that the vote of maybe about $1.3 million is allocated for local programming. What we have to understand is that everybody talks about CBC and nobody defends CBC. I am going to defend it in here this afternoon because everybody seems to think that they can just take it up and knock it around and nobody cares.

I am saying that CBC has a very important role to play in this nation. I am saying that local programming is very important to us: I am wondering where are we going in this country if we do not understand things that are fundamental to our development. Local programming plays a developmental role in this country in assisting in achieving the goals of the nation. That is one of the reasons. It also helps to educate people in terms of what is happening, socially, politically and economically. Furthermore it is a showcase for Barbadian talent which all of us so much want to see ourselves on that same television. I am amazed that only a few months ago the Barbados Labour Party was downstairs, jumping up, they even had their wives almost being knocked down by cars, down there demonstrating about getting on the television to debate their House of Assembly speeches. They don't want to allocate any money to that? They are crazy. I am saying they cannot even be right in their minds to even think of not having funds for that.

Mr. DEPUTY PRESIDENT: All right. Senator Mottley.

SENATOR Miss M. A. MOTTLEY: On a point of order, Sir, the Honourable Senator is really misleading the House. At no stage has the Barbados Labour Party said that it wishes to remove any allocation of funds from CBC. At no stage.

Mr. DEPUTY PRESIDENT: Thank you, Senator Mottley. Proceed Senator Walkes.

SENATOR Miss Y. V. WALKES: Government has a responsibility to provide a subsidy for the production of local programmes. Do you know why? Local programmes cost a lot. Secondly advertisers do not like to sponsor local programmes and therefore Government has to take on the responsibility of doing this. There are a lot of questions in this country about how the local programmes are organised. Most of the time, do you know what is happening? They are comparing them to the BBC, they are comparing them to CNN, they are comparing them to CBC Canada or some place like that. They want to be compared to the *Cosby* show, *Cheers, Flash,* the *Prince of Belair,* those are the kinds of comparisons because we tend always to be comparing ourselves with developed countries, and I think Senator Simmons mentioned it yesterday, rather than developing countries. That is not to say that we should not set our sights high. I am saying the Caribbean and Barbados do not have the resources or the facilities for such programmes. For argument sake something like the *Cosby* show costs over $\$^1/_2$ million to produce one $^1/_2$ hour programme. Where is CBC going to get that kind of money from? Those developed countries can sell maybe to 200 stations and get back that money. Even if we go to Jamaica or Trinidad with a programme they do not even have $500 to give for a programme. You have to understand what you are operating against. The Opposition talks and they jump up and people in Barbados seem to believe them and they have the papers backing them and all that, so people tend to believe them without even questioning and analysing what is going on and what we are operating against.

Even if you did not look at the *Cosby* show and you looked at some of the cheaper programmes they cost something like $65 000 and $70 000 to produce those $^1/_2$ hour programmes. We have no resources for that. When we are talking about a subsidy to local programming, if we look at places like CBC in Canada its advertising revenue was approximately $303 million last year. The Canadian Government gave it a subsidy for local programming of about $985 million. You understand what I am saying, that is greater than they earned in advertising revenue and then they have licence fees to back them up to make more money again. We don't have any of those things. You are talking about something like this meagre, maybe $1.3 million and this is causing a big fuss in this country. Although it is already cut, I think it is cut by a $^1/_3$ or something like that. Do you understand what I am saying? Furthermore, they say CBC does not even perform. That is how they behave. The first persons I hear at night on CBC News broadcast are whatever the Senators from the Opposition side say. If they do not perform, I want to know how they can get such good news for them. Why do they always have them up front? I am asking that. I am saying, not to be side-tracked, that CBC posted a profit before interest and depreciation of over $1 million last year. Do you understand what I am saying? Even though an overall look at the Corporation, one can say with interest and depreciation that they have not made a profit, Channel 8 makes a profit. You cannot say that CBC is not performing.

2.45 p.m.

Furthermore, CBC is not sitting down waiting on Government to provide for it. Even before the cuts came in, the whole programming system was reshuffled in terms of looking at how it can reduce its dependence on Government's financing because when the Other side was in they did as they liked. They never had many things in place anyhow if you see the amount of things which they never had in place. They were only interested in promoting their own political interest.

Sir, I am just going to look at a few things that CBC looked at to see how they could generate finance for themselves. Of course, they looked at reducing operating expenditure and having strict control of their spending and things like that. They introduced more viewer prime-time programmes and this meant they had to reschedule how they had their programmes on Channel 8. I am saying that we are still operating without large facilities and resources. Advertisers were offered stronger ad placements. This is to encourage advertisers to advertise and CBC had to shift some programmes in order to do that. But the point is that they are trying to avoid dependence on Government. Classified advertisements have been promoted. You know of the sale of dubbings. Even midday programming has been introduced. This is a way of getting advertising revenue. We rescheduled the purchase of capital equipment. That is not something that we like to do, but we had to reschedule it in order that we can be able to operate with the economic downturn; it is absolutely necessary.

Therefore, Mr. Deputy President, CBC is not just making fun. It is a very serious corporation. We have our problems at CBC like any other work place or any other corporation. With so many people being interested in what it does, you must expect that you will have problems. All of us in here in our work places have problems from day to day and they will have problems too. We will have to iron them out as we go along. The point is that we are ready to deal with what we have and we understand the kind of situation that the Corporation is operating under. Therefore, in terms of this Vote, a number of local programmes have been looked at which will continue during the period – programmes such as Youth Rhythms. You need programmes for the youth. We are going to have youth parliamentary debates – how Parliament works. That is another local programme; also *Meridian 60, APEX, Music Pepperpot, Mahogany, Heart of The Matter,* and *Time To Sing.* Those are local programmes. Others include *Monitor, CXC English Literature,* and *Eleven and Ready* which is a new one. Some of you when you get home in the afternoon can see it. I think that is a great help to children who would want to pay attention to it. There are a number of other programmes that CBC is going to continue or introduce during the course of time. I

am saying that one should understand the great responsibility of operating such a corporation.

When Opposition parliamentarians get downstairs, I do not know if they have a large audience out there who do not really understand what is going on and, therefore, they are influenced very easily. But there was this whole question of the shooting at Flower Forest. They said that someone at CBC – well, it would have to be a worker at CBC – informed CNN about that incident as though CBC was trying to bring down the tourist industry in the country. This was the impression given.

Aside.

SENATOR Miss Y. V. WALKES: I do not know why the Senator is asking how did it get to CNN. All of them have their telephones and they can do what they like. But I am saying that CBC did not inform CNN and, furthermore, CBC checked with CBU to ensure that Caribvision did not have any input in that and they do not know anything about that. I am saying that responsibility should be taken from CBC and it should be publicly known that CBC does not nor any of its workers or people who operate inside there do not have anything leaking to CNN. If there was anything said to CNN about the Flower Forest, as far as we know it was positive. On March 5th it was said by one Mrs. Rosemary Alleyne who works there. It was a positive input in terms of a question...

Aside.

Mr. DEPUTY PRESIDENT: Do not let us have those constant asides. Just a moment, Senator Walkes. This is not a sort of a prayer meeting which must be punctuated by Amens and hallelujahs to show your approbation. This is a serious debate. You will have your asides but keep them *sotto voce* and not so loud please. All right, let us proceed.

SENATOR Miss Y. V. WALKES: Sir, I am not going to read the details of the positive statement. I am just saying that in answer to a question about Barbados a positive answer was given by CBC. They questioned the kind of destination that Barbados is and positive things were given to CNN in terms of where Barbados is located, the acreage, and how it has this natural garden and that it is above sea level, and that it offers a very good advantage for relaxation in the Caribbean. Sir, I am saying what was said about the Flower Forest was a positive input and not anything to do with the type of allegation that went on in that regard.

Mr. Deputy President, I thought that I would clear up that kind of impression about CBC and I hope that I do not hear anything else about the local programming and the negativity of any vote towards it.

I want to go on and deal with another matter and I want to look under the Head of Agriculture because I am going to be dealing with sugar under that Head.
2.55 p.m.

I would like to say a word on that particular area. Looking at the agriculture vote, it seems to me that there is the whole question of restructuring. In order to restructure you have to get to the source. It seems to me that this is being done in agriculture.

To some extent, I could say that I would have loved to see the Estimates look at marketing strategies. My point is that production of vegetables and non-sugar products is not the problem in Barbados, but the problem lies with marketing. If cooperatives could be set up to coordinate how products are grown and marketed, then a lot of problems could be solved. I think there is a question of ensuring that planters, when they have produced, have somewhere that they know that these products will go, even if they are kept for 4 or 5 days. By having cooperatives you can begin to organise what kind of vegetables the particular co-ops would plant. Therefore, there might be a greater utilisation of the agro-processing plant.

My other question lies in the area of sugar. The question of sugar was raised in the House today and I think Senator Lewis, the Minister of Agriculture, dealt adequately with sugar. I want to look at another area of sugar. I am greatly surprised about the whole question of how the BSIL or the Sugar Producers Federation is looking at this whole question of the productivity bonus and furthermore the $8 million that they are requesting from the Government and their threatening to discontinue the crop if this $8 million is not had.

To my mind, although an agreement has been made about the 2.75% productivity bonus, it seems to me as though they are saying they are not going to carry out the measures that have been suggested in order to ensure that a productivity bonus can be paid. Therefore, I am having a problem with that. I am surprised, on the call-in programmes, at the way the working class has been misled. Even the politicians. Of course, you would expect the upper class and the middle class to understand it like that. They now seem to have made heroes of the sugar producers and villains of the Government and villains of the Barbados Workers' Union. The sugar producers stand tall.

Mr. Deputy President, this whole question of how the sugar producers are perceived at this time is more fundamental than how it looks on the surface with the 2.75% productivity bonus. A fundamental problem occurred in this country and it started in the Tom Adams era. That is all I am going to say about that name. It was around the 1977 to 1984 period that there was a whole – and I want you to listen to what I am saying, Mr. Deputy President...

Mr. DEPUTY PRESIDENT: I am most certainly listening, Senator Walkes. I have been listening all along.

SENATOR Miss Y. V. WALKES: During that period a whole culture of materialism developed in this country, where the accumulation of wealth was the thing of the day. However you did it was not important. It has a lot to do with what is happening in this country today. People in Barbados were led to believe that success was not complete unless it was clothed in material things. I do not know if our memories are so short that we do not remember. Taxpayers' money was given to people in the form of many things. I want to deal with it in terms of how it was given to the sugar industry. I am dealing with the BNB, which is our national bank. I am not dealing with Barclays and all of those from whom the sugar producers would have been able to get money years ago because of their status and because they had access to those kinds of people. Also status and colour came into it. We have to understand the plantation culture within the context of our history. We know our history and I don't have to go into that as we know what I am talking about.

At that period during 1977-84 a kind of new borrower came into being. Plantations were bought by new owners for agriculture. I could name a few areas that they came from because a lot of people now will jump up and talk all sorts of things. I don't think that the people in this country understand what is happening to the masses and I am very upset about it. I am saying...

Mr. DEPUTY PRESIDENT: Tell us, Senator Walkes!

SENATOR Miss Y. V. WALKES: I am glad you are interested. Now I have an ear.

People in the construction industry bought into agriculture. Chicken farmers and the like bought in. Bank managers bought in. People with investments in hotel condominiums bought in. Even a politician. Not that people cannot buy into agriculture, but the point I am trying to make, and the experts stated it, was that those people had no knowledge of plantation management nor of cultivation of sugar and of planting. Do you understand what I am saying? There was a new kind of agricultural owner, neither did they employ any managers who knew what was really going on. The fundamental thing was not really to build this country and to produce agriculture or sugar for the country's benefit. They wanted a quick dollar, wealth and material things. It was so blatant that the experts noted that they had no knowledge of those things that are very important to the success of agriculture.

Do you understand what was happening? The BNB lent those people who had no knowledge of management of plantations, of cultivation, or of planting, money on trust, most of the time. You have to understand the culture. If you understand the culture – you walk in with a certain colour and nobody questions you anyhow. Most of the people working in the BNB would be my colour who think that once those people smiled in their faces that it was something beautiful that was happening to them and they are so glad to be their friends. They did not question their financial positions. I am talking facts. I am not talking something out of my head that I feel good about. This is not something I want to think that I am some expert thinking out. I am telling you what happened in this country between 1977 and 1982 and what has now set the path for some of the behaviour we are seeing in this country today. I want you to understand what I am saying. 3.05 p.m.

Plantations were purchased by that money that was given on trust to these people that I mentioned above. I did not call any names. I mentioned areas. Some of the plantations were purchased just by book entry loans. No guarantee was given. No lease arrangement was made. The Chairman of the Board that is here now does not even know anything about this. I do not even know if he knew that the situation existed. He is the Chairman now but I am talking about 1977-1982.

In one instance a person who had loans on 4 plantations of over $2 million from the Bank even tried to have a loan again for another plantation without any lease arrangement at all. Nothing was done to validate that kind of loan. The Bank lent them money without even full knowledge of the owners' whereabouts.

I am saying this to say to you that the same Opposition politicians who were down there jumping up about sugar and where we are going to get the $8 million from, and that if we do not pay this, and do not do that, and if the Government does not get it what is going to happen, they were the ones that were in Government. You understand what I am saying to you? They know about this. It is not that they do not know. But it seems to me what was going on in this country was that everything was a game in terms of the politics and the running of this country with those people who used to run it. It was not a serious thing. I do not know, if according to them I am too young and I take life too seriously. Maybe when I get older and understand what it is to live with sipping wine later on I will understand what it is not to be serious about what is happening to the working class people of this country.

The working class is confused because they do not understand the mixed signals they are getting. On the one hand you encourage people to rip them off and on the other hand you come back and tell them that it is wrong. That kind of culture that was generated in this country is now even coming out on the younger people. During that period of 1977-1982 a lot of children who were 10 years old would now be about 23. The 5 year olds would be about 17 or 18. Those young people witnessed how they accumulated wealth. They saw that being rich and

having 4 plantations was a big thing or having a plantation when they did not even know where it came from. That is the idea. They had it in their heads that when they grow up they are going to get rich and get rich fast too.

The Act says that the money to be lent to the sugar industry should be for cultivation and management. Would you believe that a lot of those people were advanced money to pay overseas telephone bills, to run private motor cars, and do other things not even associated with plantation cultivation? Do you understand what was happening in this country? You think this could be any serious commitment to the sugar industry that these people are downstairs and in here jumping up about too? They really could not understand what was happening in the country if you could get up and defend such a thing knowing full well that money...

SENATOR Miss M. A. MOTTLEY: On a point of order, Sir. I do not know who the Honourable Senator is referring to when she says there are people in here jumping up and down.

Mr. DEPUTY PRESIDENT: I take it you would have no reason therefore to take exception because of that. I cannot say she is misleading the Chamber. The Honourable Senator must know to whom she is referring. I am sure Senator Mottley you would have no reason to object. She did not say all.

You may proceed, Senator Walkes.

SENATOR Miss Y. V. WALKES: Mr. Deputy President, after these advances and a large debt had accumulated, when experts reviewed the situation, they said that it would be staggering to think that the Government would conceive of an idea of absorbing or writing off the debt. Would you believe that the then Government did not want the debt written off but now Booker Tate could come and suggest the write-off of 30% of the debt or write off Bds. $1 000 or $1 500 per acre? They are not even contented with that. I think they are even saying to leave some and pay back the loans later on. After a while the same owners will run the plantations again.

There is no serious input from this recommendation to do anything to ensure that even better management will come to those plantations. Although the then Government was suggesting that there should not be a write-off then, and there was a large debt, they can order a write-off now. It is now quite all right to do that. If the lands remain in the hands of the sugar producers, they cannot pay off the debt in life or death. You understand, Mr. Deputy President, the kind of culture I am talking about that developed in this country. Once you had material things you were the heroes and if you did not have anything you were the villains.

I was very glad when I heard Senator Lewis this morning talk about the sugar industry because, at least, there is some hope for those plantations. There is some hope for the land in terms of how it will be organised or re-organised. The Government has to take a serious look at how it relates to, if not foreclosing those plantations, and ensuring that something is done with them, making sure that equity is brought to this country in terms of wider distribution of lands so that it no longer belongs to those people.

This would not be the first time that foreclosures would have been done on plantations. In the 1870s a lot of plantations went through that, maybe over 200 plantations or so. They had to be broken up. It is true we would not want them to go into the same hands they would have gone into at that time because you would understand the kind of culture that would have been existing at the time. We are saying we have a different kind of people now.

I think people are at the point where they want to see something happening that would let them recognise that if you are going to talk about the sugar industry being in so much debt, let them see that something else could be done. Look at people who are not working and you see how many people are walking around in the country areas and none of them would even go to assist in the crop. I saw on the television the other night that people are still needed to work in the crop in St. Lucy, St. Peter, St. Thomas and various other areas.

I am saying if there is an economic downturn, we need money and we cannot even apply ourselves to work in an area that is important to this country. It is saying to me that people do not understand the mixed signals that are sent. You cannot only blame the Government politicians because when people say politicians they look at the whole spectrum. You have to look at the Opposition politicians too. They are walking around pushing their chests in the air and making fun. This is not giving a good example to the young people of this country. The young people do not understand what is happening. They do not understand the confusion.

The sugar producers cannot pat themselves as though they are so innocent and they have nothing to do with all of this debt. They are not even trying to give people the impression that they are looking for ways and means of even raising the money to carry on the crop. What they have beautifully done, the areas I pointed out that owned the plantations are not the ones who are coming on the television and posing as the ones in charge. People see the ones like me, who are up there posing as big boys, making the people of this country think they are in charge. People think that management has changed now and the

sugar industry is being run by other people like you and me but they are so wrong.

I am not dealing with black and white. I am saying that the concept was that the plantation was run by a different skin people. When you see other people who do not own them getting on as though they own them and then telling you they cannot find the $8 million, that they do not know where they are going to get it from and there is no way they can continue the crop, people believe that this is their people talking to them. They do not understand what is happening to them. They do not understand what is going on.
3.15 p.m.

I am saying that a trade union that is trying to bring at least some incentive to make people want to work – you know people are not inclined to work. People want to work if there is an incentive to work. If there is no incentive to work, people are not going to work. All the laughing and the joking that we are going to do and we do not get the people out there to reap the canes then we are still in trouble. But I am convinced that the sugar producers are not serious about producing a crop for the nation. They seem to be only serious enough to make sure that they get enough money in their pockets to carry on their businesses. They are not interested in any national economy. If they could get back maybe at the Prime Minister for not doing X, Y, or Z, that seems to be their line.

Some of the same people who are associated now with the BSIL, some of their families, because as soon as we get a little something we believe we are some big maguffies and we forget where we came from. All of us now are middle class. So we are heavy, heavy, heavy now. To say you are from the working class, they look at you as if you are mad. They did not come out of the village. It is wrong to come out of the village.

But some of their fathers and families are still working in canefields but they are behaving as though they are big maguffies. They do not want to pay the money. They do not encourage people to be educated. If Barrow were to rise up in his grave now he would be shocked to see that this education that he has given the people, the working class of this country to help them progress, to help them become a better people that they are using it to join the BSIL or the sugar producers against the masses of this country. The sugar producers shift their names when it suits them. One minute they say they are BSIL and then they come back to you and say: "We are the sugar producers confederation, the BSIL cannot speak for us." So they go into all these different colours and shifts.

You all do not understand the politics that go on in this country, or the way that it is done. But they know very well that they can get away with it because there are people who will come out there and put on a good face for them and make people think that they are the heroes and the Government and the Barbados Workers' Union are the villains. They know how to do that. I am saying that we in here who know better should not be carried away with that kind of behaviour.

I would expect the Barbados Labour Party to behave like that because they see themselves on that same light. Most of them see themselves as middle class and upper class, according to them. They do not even know what a canefield is. They do not know about people working in canefields. They are middle class people, according to them. They do not have to understand what is going on. When they see the working class walking they turn up their noses. They are lucky if they speak to them on the street. That is how they behave.

I am saying that the BSIL behaves as though the people in this country are to be taken for a ride and they are not to be seriously understood. When they cannot get their way, they go off on tangents about where the sugar comes from, and send out a lot of propaganda, and then put the poor people who do not know any better on this cholera story. If you cannot get it one way, we will work it the other. The politicians downstairs are jumping up talking about pay the $8 million. Try and get it no matter what happens, they say.

All of this Mr. Deputy President, that I have talked to you today about how those sugar producers got their money from the BNB, the Barbados National Bank. They did not even carry any guarantees. Only on trust. They just looked at these people and gave them the taxpayers' money. What I am saying is that they have not taken on any responsibility for the loans. They are so bold faced that they do not even want to take responsibility and find money to pay the loans or at least to progress with the sugar industry. They are out there trying to fool the public that they are innocent. That is why I am quarrelling about it. Why should they do that when they know that they are responsible for the loans and that people do not understand where they got the loans from.

Mr. DEPUTY PRESIDENT: Senator Walkes, you have got 4 more minutes.

SENATOR Miss Y. V. WALKES: The BLP have encouraged them in this and they laugh with them and they drink with them and they tell them how to work the business and get as much money as they feel like off the poor people of this country.

There is a quarrel about the 2.75% productivity bonus for the workers of this country. That little thing. Could you imagine that these people who throw away thousands of dollars on telephone calls and motor cars and sending their children to overseas schools could not care less, spending it on all sorts of things, would quarrel about

2.75% productivity bonus? You have to increase your productivity way and above what you had before to even get that. And you know they are still quarrelling about that. The people do not know what is going on.

The people are saying yes, yes, yes. Why do they not continue with the sugar crop? I do not know why the Barbados Workers' Union does not let the people work. This is because they do not understand what has happened. They do not understand that the people have money that is not theirs and that they are living off of them, fattening themselves and driving up and down and they are always going to be rich. But the working class will never get anything for themselves. I am saying, Mr. Deputy President, that that was the culture that was built up in 1977-84, during the Tom Adams era – the culture of accumulating wealth never mind how you got it. He said he wanted us to be a mini America. He wanted us to be a mini USA.

I am saying that because he built up that culture all like now there are young people in this country who think that they have to be wealthy quickly. They go into drugs and all sorts of things. Do you know to them what is wealth? Wearing as many heavy chains around your necks. Once you are in the drug culture you wear as many of them as you can get. This tells how rich you are. This tells your wealth, when you have on a lot of these chains. Because they do not understand the culture that has developed.

I am saying that it has been transmitted to the young people. All of the same politicians that are down there now that are above that age do not know what is gong on with the young people. They are relaxing as though they are happy. But the young people are very confused and they are trying to get wealth easily. Even the minibus people will tell you that the Government does not want them to get rich. But they feel they have to get rich quickly, cut across anybody. They do not care. You are sending them mixed signals. You are letting the big fellows get away with easily getting their money, getting rich easily and they do not understand why that is happening and you are telling them they are not to get any. They are trying to get it as quickly as possible. You have to understand what is happening to the people. That is why they are so confused. It is not this Government. It is the Barbados Labour Party that put that in place.

I am going to stop, Mr. Deputy President. I am saying that I will vote yes and I support the Estimates but I wanted to speak very strongly about sugar and about the CBC in particular because I want us to understand that we have to be very serious about what we are doing in this country, if we are to call ourselves politicians or parliamentarians or whatever we deem that to be.

Thank you.

Mr. DEPUTY PRESIDENT: Senator Fraser.

SENATOR Mrs. V. C. FRASER: Thank you very much, Mr. Deputy President. I should like to say that I am in clear support of the Bill which is before us.

Mr. Deputy President, the Estimates come at a time when there are wars, rumours of wars. There is a lot of selfishness in this world.

3.25 p.m.

There is a lot of hesitation about development because many people want to develop themselves and not develop their country. There is a lot of mystique about how some people want to get their wealth. There are also many things that are shrouded in mystery. We have been reading the Bible in Barbados for many years, and indeed we can look right back at the Bible and see that in those times there were many difficulties and these difficulties are existing right now. We can also relate it to what it is going to come and relate it to what is going on right now because if you read the Bible clearly you will see when they tell you at a certain time there will be wars and rumours of wars and there will be all sorts of confusion in the world and this is what is happening at this time.

At this particular time Barbados is being shown, by some Barbadians, as one of the worst places in the world. This is a very dishonest notion because if you are a member of a family you should not try to decry your family or to pull them down. It is coming at a time when people are accusing the youth of everything that happens and are forgetting that they are to be the role models for the youth to follow. It is also happening at a time when people are looking for people to shift blame on. In this case I think the Prime Minister is a man who created evil, that is, from the way you are hearing things. All those who speak seem to be attributing all the evils to the Prime Minister. One man is responsible for all the ills, the headaches, all the mal-spending, all the wrong priorities that people have in this country, this one man is responsible for it.

Therefore I think it behoves us a people of a developing country to take a very serious look at our history. People are always saying we should not go back to the past but we have to. We were nurtured and we were brought up. We had to sing the song "Rule Britannia" and we had to put our hands at our sides when the National Anthem, not of Barbados, but of Great Britain, was being played. Therefore moving out into independence we are hoping, because I am one of these very positive people who believe that a number of things have been set in train by the Democratic Labour Party to carry this country forward. This is a time now when we are going through a lot of economic restraints and problems but the future holds a number of things that are good. My reason for saying this is that every minute you can hear somebody attributing everything negative, as though people are not walking in Barbados.

As a matter of fact, just last week, one of my relatives came here from the United States and said to me, "It seems to me, that in Barbados, there is nothing good". I said, "Why did you say that?" She said, "It is because of the newspapers. I receive the newspapers in New York and everything negative is said about Barbados, my country, and I have to let them understand this is my country, the country in which I live and in which I grew up and was educated and because of living in that country, and because of our having people with foresight, Barbados has been able to go a long way".

These Estimates are also coming at a time when people do not seem to realise what is going on in the world. It was very surprising the other day for me to see on CNN that there is an increase in tuberculosis in the United States. This is something that Barbadians do not remember any more. When you were much younger you were afraid to pass near to anyone who had tuberculosis. There were special sections in the Hospital for people suffering from these diseases. Now, because of economic downturn in some of the countries that we look up to, you are finding that these diseases are rearing their ugly heads again in those countries that are supposed to be the developed countries.

The Estimates are also coming at a time when people, throughout the world, are moving back to the indigenous foods, the indigenous habits, the indigenous culture, the indigenous raw materials, to look for economic power and economic wealth. They are also coming at a time when we are looking at the reunification of Europe and if Europe is going to unite or has started to unite, and I know they have started, and they are looking at it very seriously, I think this is something we have to look at because if you are uniting your family once more it means that whatever you have you are going to divide among your family first. I fear the time will come when all of this talk and fuss that we are making, even about sugar you will have to watch and see whether the family might want cane sugar or whether they may have a preference to beet sugar. Therefore while we are sitting down trying to destroy ourselves here in Barbados we should also be taking a look to see what is going to happen to us on a global level. If we are gearing up and tooling up for exports we have to look at the fact that countries are beginning to get together again. The people who were communists before are no longer communists. They are like the prodigals. They are being welcomed back home. You know what happened to the prodigal son when he was welcomed home? He got the fattest calf and everything. So, those who are non-communists are welcoming the communists who are no longer communists back in with open arms. We must look at what effect it is going to have on the Caribbean region.

These Estimates are set in a very important time, when we are trying to drag our feet about Caribbean unity, but yet we have to have licences, we have to wait for a long time and then somebody begins to quarrel and says that Barbados has done this or done that. They do not have the full sense of the story. They don't understand what the situation is, what has been done to Barbados. If we continue with this nonsense we are going to be looking at the shadow and we are going to be losing the bone.

We always tend to blame Governments for everything that happens. How many people in the Government ... But in a democratic system we all are the Government and I would like people to understand that. We all have responsibilities and if you have responsibilities you have to understand that responsibilities have to be taken seriously. We cannot go down under the tree, as in olden times, and make a motion and say something and then you have chaos. This is the purpose why you have elected Members in a Parliament in order to put forward the business of the country. You have different Ministries and they have a responsibility for different subject areas. You have the Ministries that are going to be looking at the productive sectors of the economy and this budget is set at a time when people the world over are looking at the productive sectors of the economy.
3.35 p.m.

They are paying special attention to agricultural development. I want to pay attention to this particular area of agricultural development because to me it is the most futuristic development that you could ever dream of and that is, Mr. Deputy President, Head 25. Sir, the Ministry of Agriculture in Barbados has many objectives as to where they want to carry this country as far as agriculture is concerned. In spite of this, we continue to hear that there is no policy. We have nothing to work from. We are not going forward and we are not doing this or that.

Mr. Deputy President, one of the aims of the Ministry of Agriculture's programme is domestic output. Under that heading of domestic output, you cannot put out something except you put certain components into making whatever it is. Therefore, if you are talking about domestic output, first of all you have to know what you have. What do we have in Barbados that we can earn money from looking at our agricultural potential? We have different types of soils which is a natural resource. We have the resources of our people. We have had one of the best cane breeding stations (and this has been said all over the world) turning out several varieties of canes. That is one area we have. We have the wonderful ocean out there filled with fish of all kinds. These are the things I am looking at that we have available. We have some fruit trees and we have some grass to feed the animals.

Therefore, in looking at the context of developing the domestic output, we have to look first of all at how we are going to feed ourselves as a people. In any developmental programme, you first have to look inward. How are we going to feed the people we have here when exports are

on the decline and imports are on the increase, as has been stated clearly by Dr. Clarke in his opening remarks. Then we have to ask ourselves a question: Why are these things like this? Why do we have an increase of food stuffs coming from over and away? We have to find answers and some of the answers are staring us in the face. We need food for substenance. We need food for heat and energy, development and protection of the body from various diseases. Are these the foods that we are importing or can we do without a number of them? Those of us who have done a number of surveys understand clearly that there are a number of foods that we can do without. We do not need them at all. They do not help us with the balanced meal that we are looking for on a daily basis. We want to make this very clear because often, if something is not on the shelf, you get people who, as Senator Walkes has mentioned, think they are a cut above the rest. They are elite and they ought to eat asparagus tips. They go to the supermarket and buy asparagus tips and then they call me and ask me what to do with them. I tell them you bought it so you must have some direction. Do what you like with it. These are the things that we have to realize. Food is important because you cannot function properly unless your body is well taken care of and well fed.

Let us look at what is nutritiously sound for us. We said that we need the food to give us heat and energy. Well, we do not so much need the heat. We need the energy in this part of the world. We look at all our root crops that we have available such as potatoes, yams, cassava and breadfruit. We do not call them by any big names because, if you are doing a course and you are talking to people at a family planning class or you are talking to mothers at one of the polyclinics, you have to explain to them what you mean. I cannot go and call big words to those people. I have to break it down simply or any Public Health Nurse has to break down these things very simply. You also have to demonstrate to people what you mean, in which case you may have to carry along a few of these things to show the people what you are talking about.

I am saying that everybody will not understand the botanical names. The word "cajanas" means our pigeon peas. If I went and said to somebody "cajanas", I would be a fool because that person would not be learning. But if I say that you should eat as many green peas and beans as possible, they will understand what I am saying. Eat nuts. They understand these things. If I go and tell them all of these big names, they do not understand. We have to explain to people what you have to eat. I am telling you that sometimes the more middle-class the person the more ignorant the person is to what they ought to buy and what they ought to eat. I am telling you this because I have known this from experience. Some people go to the supermarket and I call them Mr. and Mrs. Foolish Shopper. They do not write a list and they do not plan. They just go into the supermarket and take up everything they see. When they get up to the cash register, they suddenly discover the money that is being spent is the rent money because it has gone over and the person is so ashamed that they have to reach into their purse and take out part of their rent money. They do not want to make themselves shamed. We have a problem of attitudes. That is one of the big problems we have. They are trying to be like the Joneses. You do not have to try and be like anybody. You have to find out what you need to feed your family with. How can I supply this income? Can I help by growing something around my house to assist with my family's food? If we were to get 600 households in Barbados doing that, it must have an affect on what we import. People are not looking at that. They think we can buy it. You must look at what is happening around you. People who are not working can create work for themselves in order to help with that food bill.

3.45 p.m.

Now, that is in the area of things like vegetables and fruits and the staples. We even get macaroni here in Barbados. So the only thing that family would have to buy is rice. They don't have to eat rice every day because they can make a nice breadfruit pie one day. They could mix potato with pineapple or orange another day. They could steam fish one day and boil it another. They can make a salad with sweet potato and have hard-boiled eggs from the chickens in their backyard. Therefore, they can go through a week on a budget. They don't even have to go to the supermarket. I remember when I was growing up, my grandmother hardly had to buy anything from the supermarkets. As I said, the only thing she would buy was rice and we would eat rice on a Sunday. She had pigs, sheep, 2 calves, a number of fowls, turkeys, guinea birds, pigeons and every conceivable fruit tree you could think about, corn, yams and potatoes. She could make guinea corn porridge which is very lovely for us on mornings. She would grind the sweet potato when it was dried and make flour and use it for porridge as well. You can dry breadfruit and grind it as well. She made cakes and all sorts of things.

Sometimes when we say these things to people they think we are making fun, but I want to say that, except we understand the developmental potential of agriculture to the economic growth of a developing country like Barbados, we will all be lost. I have a slogan that I hold very dear and that is "Food comes First". It has to come first because whether doctor, lawyer or whoever, I don't think you want to go to a doctor to be told that you are malnourished or that you are starved. You are earning money and you are not spending it on yourself. You are buying a whole lot of foolishness. Perhaps you are buying a lot of canned things. You are buying beans with tomato sauce in a can when you could plant a few beans and let them run up on the paling and pick a few. You can buy the tomatoes now that they are cheap and make your own sauce and have packages of sauce stored that when you are ready to cook

anything in tomato sauce, you have it ready made and in your freezer.

We want people to understand that the whole question of changing attitudes has to take an important part. Why I say this is because some people believe that people who work in agriculture are dirt. They are not people to be talked to. People who work with food are just another "black cook". They are not people to be regarded in a society.

They have misunderstood how many areas you can go in agriculture. You can become a pathologist, a food technologist, an expert extension officer. We must teach our children that there are other areas and careers in agriculture. The careers in agriculture are not going out there and cutting cane. People always attribute being an agriculturist with cutting canes. They do not understand that all the developed countries hold agriculture dear to their hearts.

If you go to Germany, they feed you with their sausages morning, noon and night from their pigs. All the meats they produce they are going to feed you. All the vegetables, all the sauerkraut that they make with cabbage you have at every meal. All the pickled cucumbers you will have at every meal. It is sold in the shops. You cannot go there and call for flying fish and cou-cou. The more people go around the world the more those developed countries are developing their agricultural potential. They show you what they have and what is available in their countries. What you have to take to eat or drink has to come from them. Therefore, they are not going to encourage you by saying they will get it for you. A little later on, I will mention the linkage between tourism and agriculture which people have a false idea about.

I have never heard that anybody wants to come to a country and not sample its native food. Most people go around the world to taste other people's food. They want to be able to tell people when they go back what they ate and how it tasted and possibly get a book to show you the various recipes. It is sad that we do not understand that we have a commitment to the domestic output of this country. If we have this commitment to domestic output, then we are going to be encouraging people to call on the Ministry of Agriculture and ask them questions or assist them. Also a number of people in Barbados who know about agriculture who are not working right now or who have retired can band themselves together and go out there and help some of the youngsters who are trying with their gardens. They need to know about different techniques and times to plant, what to plant, how to spray and how not to spray indiscriminately. All of these factors will be included in the domestic output. It is not every soil that can grow pineapples. Some soils like those in Fruitful Hill are doing well. A young man, Nehemiah Maynard is improving every year. He has moved around and read books and is producing some of the most fantastic pineapples you could want.

If we know we can produce certain things and we produced them before...I was in St. Andrew last week to speak to the PTA at St. Andrew's school and we went on a tour looking back at what people used to do for domestic output. There used to be little gardens, people used to have their pigs, their sheep and goats. They used to dry cassava and make flour and incidentally, Barbados had a cassava factory. We have to look at going back to that. When I think of how easy cassava grows! One piece of stick in the ground and you have cassava! There is no lot of watering needed. Yet we are not looking at some of these simple things. Many of us have grown up on good cassava bread and pone. You see, we are looking at this because most of these crops you can have the food to cook as a meal, like sweet cassava, then you can make cassava pone and you can take the flour and make bread or a fruit cake or make balled starch. Most of the things that come with starch have in farine. Farine is cassava.

People seem to believe that farine is some strange thing, but the people in South America grow a lot of cassava and therefore they find outlets for their cassava and they sell it all over Miami fresh and frozen. You just skin it, freeze it and put it in bags. We are talking about increasing domestic output.

The aloe vera. I know that the Ministry is making provision but, on the other hand, if the people have these snobbish attitudes regardless of the best intentions by the Minister of Agriculture and the technocrats in his Ministry, they will always fail if people do not accept and grow them and help themselves by the money that is going to come from them.

Nowadays, you can hear everything about aloe and aloe cream. Dominica has gone steps ahead of it. It is true Dominica has rivers and they can use different methods of utilising aloe. They can get the pulp from it by beating it out in the rivers. They do not have to use water like we would have to use and pay for. We can send it as we have been sending it through the BMC's outlet at the Airport. We send it whole. We just cut the top and bottom, it is packaged and sent. It is sold like that as well in Miami, England and many parts of the world.
3.55 p.m.

When you are gearing up for strengthening your domestic agriculture, at the same time you are gearing up for export agriculture. It behoves us to understand the seriousness of agriculture. It is not something you walk about and talk foolishness about. It is something you do. It is practical. It is like home economics. Any science to do with food is a practical subject.

If you put a cake in too hot an oven it is going to burn and you would see it right away. The same way if you do not treat your plants properly they will die and you can see it so it is a very practical science. It is not a joke. It is not something to fool around with. Think of the money people make out of wheat, apples, oranges, other citrus fruits and all kinds of agricultural crops the world over, and then the money they make out of handicraft from agriculture, coconut and materials from banana. Banana is also used as a food for babies. You can bottle it. Some of us have been so foolish. Instead of producing a little banana tree which you simply plant and not have to do much to it after, parents go and buy baby food in a bottle. You put that advertising heavily and get these people because they feel it associates them with the very important people going out and buying that baby food, banana in a bottle. We are advocating to feed the children from the family pot.

If you look back to your Bible you would see that food caused wars because nations kept what they had and the others had to fight for it. The land became barren. God speaks to many people in various ways. If we in Barbados do not start realising that God is speaking to us, and we are known to be a Christian community, maybe this is one of the times now, more than ever, when we should continue to have that strength we used to have before. We have to pray to God to get it though. We have to keep close to him to get it.

That brings me, Mr. Deputy President, to another aspect of agriculture because that domestic output was about nutritious foods and gearing up. While we are gearing up for the local market we should also be gearing up for the export market. We need a quick drive at this reforestation. While the small trees are going to take a long time to get big, in between there we could look at the grasses and herbs we can get some essential oils from. This is very important. We can get lemon grass oils and all sorts of oils that we are buying here in Barbados. We are also buying pot pourri which is only the leaves of a lot of these trees. You just put a little scented oil, package it well and that brings you a whole host of money.

While we are gearing up for the local market we can also think of pickling meat. What is in a snout to pickle, to put some salt and put it in a boiling salt liquid? All these million dollars I see in pickles, $7 million we can cut back. Even if every year we cut back $2 million or $3 million, in 5 years time look and see how we would have reduced our food import bill.

The path is a path that leads to success. You do not get success like instant yam. A lot of people believe that you are in agriculture today and you are a millionaire tomorrow. No. Talk to any farmer in England and he will tell you how he started. Talk to some of the people here that are successful farmers who will tell you that they bought 10 acres of nut grass and it took them 10 or 11 years to really bring it to something now. Everybody is now envious of that person because he can export the best mangoes and soursops from Barbados. He can get them sold immediately.

A number of the things we export come from simple farmers, people who do not have any big college education but they have commonsense and they know where they want to go. They always have some money put down too. Do not fool yourself. A lot of people look at people and think they are stupid but those people know more about saving and thrift than a number of people. They could teach some lessons in the community to some of the other people.

Also while we are gearing up, we have to look at the trees. I mentioned this before. We import a lot of mauby bark. I talked about the colubrinum eliptica and the colubrinum aberrescence. We already have one of these varieties here. You can do so much about these things. While we are growing those mauby bark trees, we can be growing heather, mint and all these things we get oil from. We can be growing them under the shade of those trees. I have seen it all over the world where people are growing 3 and 4 different crops. There are big trees with herbs all around them and they are making money. While they can make the money from the little things they are making that money by making oils. This question of essential oils, spices and condiments is a very big thing in the trading countries.

I do not think when Senator Clarke mentioned that most of our exports are in flavourings that he pointed out what it was. I do believe he meant pepper sauces and things of that nature. Pepper is a big thing now in Europe, both hot and crushed pepper as well as pepper sauces. Every week we are buying peppers from little farmers. People want thousands of pounds of hot peppers especially the Scotch bonnet. It is amazing when you look at the success of Lottie's Pepper sauce. She has 194 outlets. She has outlets in California and England. She has spice kitchens in Canada and Texas. It has gone a long way. If you take that as an example you see how a woman started in her kitchen with one person and today she is earning foreign exchange for this country.

When you go to an international fair the first thing people are asking about is pepper sauce. They are also asking about seasonings. It means we have something good going. We could be growing a whole lot of the marjoram, thyme and so on while we are waiting for the big trees to come because there are markets for this right now. Any kind of herbs you have we can sell abroad. We are not talking about marijuana. These are the herbs people want to put in their various seasonings. They will be able now to fashion themselves with the likes and the taste of pepper and they understand that if they do not have pepper in

their various dishes people are going to say it is too bland. You are having a heavy West Indian and Indian population in a lot of the developed countries. The more pepper they can get, the more they want. This is good for us to be tooling up our domestic level because we are able to export things that will not take a lot of work or money to put into the initial stages. You have, it is true, to pay attention to your pepper plants. But you do not have to pay that attention like you would have to pay to cabbage or something of that sort.
4.05 p.m.

If a farmer had some land and you want to advise the farmer or ask the person from the Ministry to advise him, peppers would be a very good crop and those same herbs I am talking about marjoram, thyme, parsley, dill any of those because the people want them. And let me tell you, the herbs are gaining a very good price. If you notice in Barbados if you had to buy a pound of parsley you watch, the price never goes down. The price always remains at a certain level per pound. There are people who buy those things and there are people who grow them and make a lot of money out of growing herbs. If you watch some of the people in Barbados who are growing them, they are not the people that are mealy mouthed. They are not the people that are hand to mouth, as we would say in Barbados. The people who are exporting fruits from Barbados are not the mealy mouthed people either. There are a lot of people who have another job and they are sort of absentee farmers who are growing these crops.

So if we are moving along the road to progress with agriculture and to building it in Barbados and since we have looked around and we have looked at the types of soils that we can use and we have identified the areas where these things grow best we can now move from there and go on to other areas where we want to do more development. One of these areas, as I said in the opening, is a beautiful sea that I can see from here. We are not utilizing the sea to its fullest potential. In the Caribbean region we have water, water everywhere around us. What are we doing? We should be encouraging more pot fishing. Those persons who are a little older can help the ones who are younger to understand what pot fishing is and how much Barbadians love pot fish and how much the tourists love it when they go to the other islands and they can get an abundance of pot fish.

In that case we need not worry too much about going in anybody's waters to get flying fish. We will still get flying fish, as we are getting now without going into anybody's waters to cause confusion. But we can find pot fish all around the place. We need to do a proper development of the sea egg and we need to adhere to the laws of the country. If it says do not pick sea eggs for 2, 3 years, do not pick it. Let the sea eggs develop. You know years ago all like now you would be hearing something about sea eggs. They say all the months with "r". Last sea egg season I did not have a piece of sea egg here. But I got sea egg in Grenada. What are we really doing? A lot of the old junk that you can see around the place, the old cars, it is my understanding from many professional people the world over that they create good reefs and you can increase your fish breeding out there. The fish of the sea contain the best type of protein. If you want good protein to build the bodies of the children strong, we should be having fish in abundance about here.

We have to ask people to stop polluting the place. We have had a lot of pollution that has killed out our fish. We are going to have -- not just put laws on the statute book but we have to see that these laws are enacted. And regardless of who the person is let them understand that agriculture is our future and if you kill out the fish we have no fish to eat, we have no fish to sell, we have no future for a canning industry for fish. These are things that we should be looking at. This will generate a whole lot of employment for the people in this country. Do you know how much employment would be generated if we had a fish canning plant? Because you need people to clean the fish, you need people to gut them, you need people to do all the various stages. That is employment for people. You need the technologists to do the canning and things of this sort. There are people who want different kinds of fish all over the world. There is much for us to go out there and look for. Perhaps you have not heard the Master's call yet, cast down your nets and he will make you fishers of men. But we need probably to look at that again and see what we can do. Because fishing is something in Barbados that is an occupation for some and I tell you it is a wonderful pastime for many of the upper class in this country who make money from it. We do not seem to realize that.

I have a friend who makes some money out of fishing. Just the other day I went up there and he could sell me some lovely shark. But they go out there and do it for pleasure. If they get income that is not their fault. A lot of us who have been swimming about the place and doing foolishness and going on the beach and talking and wasting time, we could probably do some of the same things too. I do not get vex with anybody so long as they are doing something that is meaningful, getting some fish to feed their family and some to sell too. We can organize, whether it is going to be declared or not declared, that is a matter for other Senators. I am not in that Ministry.

Also one of the essential things that we could look at from fish is oil, shark oil. All over the world people are selling these oils and they are promoting them. We have been known in Barbados to produce excellent shark oil. We could do something about the smell and flavour it a little bit, especially for children. We could probably put in a peppermint flavour or some other flavour. But the thing is that we are using the fish, we are using the oil and we are gaining money. We could probably then look at the exporting of this.

In this whole area of highlighting agriculture and its developmental role and its potential, we should also look very seriously at the marketing practices that are currently used, whether these marketing practices are satisfactory, whether they brought success, or whether we need to tool up and really push our marketing further ahead because many people misunderstand marketing. Many people believe that when you get a glut of fruits out there you should go and sell them and they talk about marketing. That is not marketing. Marketing again is a very important area of development. You should go out there and market first before you even grow the crop. Because how do you know what kind of crop the purveyor in London wants, except you had discussed with him ahead of time that he wants a pea that grows 9 in a pod and he is prepared to give you those seeds to plant. He is prepared to send down somebody to assist you. He wants a particular variety of melon. And therefore you have to understand what your market demands are. You do not just grow things wild.

People always get very confused when you talk about marketing and they tell you when there is a glut everybody says why does somebody not process? You do not build a processing factory on ad hoc behaviour. You have to know where your markets are, what they want, set up your factory, set up your systems and then you make a product. I would like to remind people who are planting that that is the same thing. You have to know what varieties your people want. For instance I recall at one time in Barbados, years ago, there was a particular person who said he was involved in marketing. The people wanted lady fingers and the man came back to Barbados and told the people that they wanted okras, clemson spineless. Every farmer in Barbados planted all these clemson spineless okras. When it turned out, the people in Florida wanted lady fingers. You have to understand what you are talking about. Lady fingers is a different thing from clemson spineless okras; they may look alike but when the farmers in Florida saw them they said this is not what we want. Our people were there waiting, they had the crops already and then the pigs ate okras, the cow ate okras, the dog ate okras, everybody had okras for lunch, breakfast, dinner and tea.
4.15 p.m.

Marketing is a science and it is something you must understand. You have to understand the climate, the ethnic population that exist there, you have to understand also why people do not eat certain things, because when you are marketing things you have got to understand their religious backgrounds, you have got to understand health habits, their cultural habits, the things they eat and the things they do not eat. It would be a waste of time going to vegetarians with a meat product. These are things we have to understand. In so much it would be a waste of time going to people who do not eat certain vegetables with those vegetables. We only learn this by hard work and trial and error. We do not learn this by pulling down the society and saying that agriculture has no policy because there is a policy but how will the policy work without you? That is the question you have got to ask yourself as a Barbadian. How does this policy work without me?

I want to say to you that I am very happy to see that a number of people who were not planting, and there is a saying "hardship mek monkey climb tree" and "necessity is the mother of invention". As I move around this country, and I move around this country every day, I am beginning to see a lot of people, near to the town areas who are beginning to plant and beginning to even dig up flowers and put a spinach vine and marrow vine and things like these. And loofah strainers, you would not think the days would come when loofah strainers that used to grow wild is being sold in the Health Food stores for rubbing your back. As children we used to run about with loofah strainers, we used the branches for skipping ropes but now they are making money. People have found out how good they are for rubbing your back so when you go to the health food stores you have to buy a loofah strainer. We must follow some of those examples and understand that we need to use the agricultural products for handicrafts as well, for essential oils to rub your skin and keep it beautiful and you don't have to buy all of these synthetic creams that may eventually lead to skin cancer.

Mr. DEPUTY PRESIDENT: Senator Fraser you have got 5 more minutes.

SENATOR Mrs. V. C. FRASER: Thank you. My thinking of agriculture is to let you look at all the inputs that we have and let us join together and see where we can help this community in the area of agriculture.

Mr. Deputy President, that is my thrust for agriculture. I also hope we will sink more wells and clean out more wells and use them for water, use some wind energy because these things are going to be very futuristic for us.

I should like to touch on another area in a few minutes and that is the area of education. Education is Head 34 page 56. Particularly I wanted to touch on the area of adult education because I see this as a means of continuing to get people to understand what we are doing and what Government is doing, if we can only get a number of people to assist in this area. We used to have evening classes and as much as we hear people talking now, people who did not have the futuristic thinking closed down these classes in home economics and closed down the classes in further education. We are glad to see that a few have reopened.

One thing that I want to see happen is that we go back to having religious education or moral education in the schools. I think it is a great pity that we do not have that morning worship at all of the schools. It is only dependant on the head teacher. It is not something you

can say has been legislated for. I understand there is a committee looking at it again. We need that. I think the moment you move that from the schools you move a very important part of the life of a human being – the spiritual aspect of the human being. I sincerely hope that in a very short time we will see that back in the schools and I think it will help considerably with the discipline of the schools.

Mr. Acting President, one other point on the youth services, that would be the Community Development Division. I want to raise under this, the fact that the youth services had some confusion in that people thought that could wait but now we have a national commission on youth and we also have youth services. They are not members of the Defence Force but members of the Defence Force are assisting in the training. They do first aid, they do moral and religious and scriptural knowledge, they do drill and I think these young people who have been recruited in this area, this is what they have expressed themselves. This is not what anybody has told them to say. They said it was the best things that could ever happen to them. I think that had that been done and people were not pushed around from doing it, because I remember the present Minister of Justice who was put in that role to get that started, had great trouble and then he was just sacked. Had we had the sort of discipline that this programme has given 10 years ago I feel things would not have deteriorated among our young people. I should like to congratulate Government for that.

Under Foreign Affairs, Head 35, page 66 for the purposes of marketing and showing Barbadian products and getting sales and markets we definitely need to have cultural and agricultural attaches at the Missions and we need to have a permanent exhibition of the work done in Barbados, at the overseas missions abroad.

Thank you, Mr. Deputy President. I think the public address system has been discriminating against me. I have made several attempts here and it worked for the Senator who is at my right. I do not understand it.
4.25 p.m.

Mr. DEPUTY PRESIDENT: You did not catch my eye. I had not seen you indicate before.

SENATOR THE REV. CANON J. L. SPRINGER: Nevertheless, thank you, Sir. I am sure that you are fortunate I am a clergyman and not a politician because in that way you are spared a speech an hour long. We have been taught to be short and sweet. A few general comments, Sir, on the Appropriation Bill before I say a few things about a couple of Heads in the Estimates. The first thing is that for me there will continue to be a conflict in this debate because on the one side I see and understand the need to cut back where expenditure is concerned and this is being undertaken with varying degrees of compromise. On the other hand, one recognises the plight and the suffering of several persons within the community and this includes whole families in some cases where bread-winners and their children are put to great hardships. We recognise that this is a fact of life here in Barbados and one can only hope that plans or provisions will continue to be put in place and there will be an acceleration of the search to put in place provisions for helping such persons and such families in their plight. I meet a number of them from day to day and I am sure, Sir, that you are aware of some of them. I think it must be a situation of conflict for all of us who recognise what has to be done for the good of our country and who also care for people who are suffering. What propels me, Sir, is really the virtue of hope that we will soon come out of this situation. One of the things that bothers me is that we continue to make this a partisan political thing by which all kinds of difficult questions are raised and all kinds of obstacles are being put in the way so that it might seem to some for whatever reason that it did not really work. Recently, I read a very interesting article by Ian McDonald. I do not have the quote with me, but who writing from the Guyana background points out that Barbados is taking the right course and he wonders what it is that is causing all the trouble when we had the example of Guyana next door and Trinidad and Jamaica. I would hope that we would soon remove the partisan nature of the debate and see it as something that concerns all of us together. With the hope that it will be so, it keeps me going even though I am aware of some suffering in the whole exercise.

Sir, I was rather surprised to hear Senator Barker almost extol the virtues of deficit budgeting as against what is called zero budgeting as though it is better for anyone or any government or group to have a shortfall in its planning. As I understand it and I am not an economist, the ideal situation would be what would be called zero budgeting where you balance your budget. But because one still has got to find extra cash to spend and often does not know where it is coming from at the moment, one ends up with that kind of deficit arrangement. That is a tool that has attempted to solve the problem of balancing the budget. If I hear anyone be it family social group, individual or government talking about balancing the budget, I feel good because this brings me back to the days that we were brought up in. We were brought up in the days where all around the house you heard about balancing the budget, cutting your face to suit the cloth and all that kind of language. I did not even know that was economic jargon until now but that is what we were fed on. It seems to me that it might be a good thing for us to have to return to that kind of arrangement in the running of our national affairs. One hopes that it will also come back into the family situation where people are more careful about what they spend and what they do with their money.

Sir, this kind of arrangement, I have no doubt, calls for a lot of courage on the part of any government or any leader who is directing his followers along that way. Courage, I think, is a virtue that has been lacking in our society to a great extent because there have been many things that needed to be tackled over the years by successive administrations but have not been touched. There has been a hand-off attitude in a number of cases because people were going to be hurt. I refer in this case specifically to our failure to collect revenues in a lot of areas. We congratulate the people in National Insurance and other such groups that made the effort along the way. But I think that we have a very bad record in Barbados in collecting Government revenues. If perhaps all that was owed to Government were to be collected today, I am pretty sure that we would not have the kind of problem we have at the moment. It calls for courage and I hope that the courage to try and balance the budget now will continue and the steps that have to be taken will be taken in the future.

We have the experience of history. Senator Fraser mentioned the Bible. We are all well aware of the history of the Hebrew people and their plight in Egypt and then their treks through the wilderness for 40 long years and then by the 6th century or so their enslavement at the hands of Babylon for many years. When one looks at that and one looks at our own history of the people of Africa in slavery here in the Caribbean, we recognise that we made some of our greatest strides and developments in terms of personality and character when times were hard. There can be no denying that. The mere fact of hard times now must not be taken as just the beginning of our destruction. It might bring us back to the point where we realized that we can now once again develop a special kind of character in these difficult times.

Sir, I hope where these Estimates are concerned that we will emerge a stronger people, our Government would have learnt lessons about being careful in balancing budgets and homes would too, and that we will improve on our collection record where revenues are concerned.

Regarding a few remarks about some specific Heads in the Budget, Senator Clarke spoke on the Head of Secondary Education Head 34 between pages 58-60. I was glad to hear him speak of the need to restructure the management of the schools but he did not give any details. I would be interested in knowing what plans there are for the restructuring. I look forward in due course to hearing but I believe there is a need for this. Mention was made in this debate about the PTAs and I think that has to be looked at again. There is a lot of talk about PTAs being represented on school boards. It seems to me that for one thing the PTAs are not absolutely regarded as necessary though they exist. One wonders what happens in cases where schools do not have them if it is made compulsory that they should be represented on boards. What do you do in such cases? I think the fact that PTA's are not represented does not mean that parents are not represented *per se* because all the school boards have parents. Their children might not be going to the particular school that they serve, but they are persons with PTA interest. It does not seem to me to be something that is absolutely a priority at this time. I think that should be looked at as part of restructuring as well.

4.35 p.m.

An area, however, of which I am concerned is that of the Chairman of Managers at primary schools. There is such a creature in existence – a Chairman of Managers. Alas, Sir, he has no one to manage. It is simply a label. The position is viewed with varying degrees of suspicion by members of the staff of various primary schools. Sometimes he is accepted as almost a chaplain in the establishment. Sometimes he is ignored. I remember myself as a Chairman of Managers of a school not being invited to the reopening of a new school which amalgamated 2 schools of which I was Chairman of Managers. That was several years ago.

I think that needs to be clarified so that one understands what is meant by Chairman of Managers and what his functions are. I would like to see, once the decision is taken to retain this position, that they be more intricately involved in the running of the schools. That would probably be a spur to what Senator Fraser spoke about, having services once again and getting into moral and ethical education all over again. Perhaps this could be looked at in whatever those plans are for the restructuring that is being provided for in the Estimates.

On education, I think that there needs to be what I call an equalisation of the education system or what you might call a levelling up of the system. We still have schools that are better and schools that are worse in the secondary school system. The votes we see from year to year bear testimony to this. Some schools are favoured and some are not. Some schools are adequately supplied with science labs and other such facilities and others are not. Some schools are given the staff they want even if it means encouraging staff to leave one school and go to the other. Others are not particularly favoured in that regard. Some schools are adequately supplied with staff-room space, decent surroundings and other schools have to make do.

I would like to see, in spite of our needs and our difficult times, that there be some shifting around of whatever funds are available to ensure that members of staff of all schools are treated equally. There should be no reason to treat any of them differently and no secondary school in this country should be regarded as being better than another. I would also like to see that it is our intention to work towards ensuring that even though schools have different curricula and different emphases in their curricula that ultimately the goal is to bring them to the same level.

Further, as far as the inequalities are concerned, at the tertiary level where scholarships are awarded, we continue to send our students to overseas universities at great costs. I think the time has come to do some soul-searching here and see whether we should not be calling on them, once they accept Barbados Scholarships and Exhibitions, to attend our university. Our university has now been developed beyond what it used to be when the scholarship was in its infancy, and I think that we can provide education at most any level. If someone can find an area of education that cannot be provided for in the Caribbean, then a case could be made for sending the person elsewhere.

When you take those few who are sent elsewhere and what they are worth in terms of their scholarship and you look at the cost, it could provide for the education of a whole lot of other people if they went to our university. The word, as I understand it, is that the university is running into difficulties so it will continue to need greater support which perhaps we cannot afford at the moment. By some reshuffling of this arrangement of scholarships – after all we have free education available already for all who choose to go to our university – we might affect a saving in this regard.

I should say that while I would not under normal circumstances advocate the removal of that symbol of excellence in education, these times require us to do some soul-searching. Further, Sir, where the award of scholarships is concerned, we continue to provide for people who are of an academic orientation and to do little or nothing, very little I would say, for those who have expertise in other areas.

I want to see a scholarship of some kind, if there is a scholarship or an award or a provision, for a student who is not necessarily academically inclined but who is tops in woodwork in his school system. I want to see some kind of an arrangement by which some student who has the highest aptitude in agriculture is rewarded equally at the same level as the ones we would normally call Barbados Scholars. I want to see our top athletes rewarded and honoured in exactly the same way. We are making distinctions between them when one is only guilty of not showing academic excellence though he surpasses them all in some other field. The fields that we are tending to ignore or belittle are those we are looking towards for the development of this country.

A fellow who comes out of school and has an aptitude in music cannot only make a living for himself almost right away, but he can encourage tourists to come back and so earn us foreign exchange. We have the unfortunate situation of one young man, a prodigy, as far as I am concerned, in music in this country. His name has been about in the headlines recently. He passed almost every exam in music but there is no Barbados Scholarship in music as far as I know. Now they are looking around begging as it were to find funds to send this young man, a teenager, perhaps 17 years old...

Mr. DEPUTY PRESIDENT: This was discussed yesterday. It was stated that it is likely that there is the possibility that he will be getting a National Development Scholarship. It was aired at great length yesterday with all of his qualifications...

SENATOR THE REV. CANON J. L. SPRINGER: I am sorry, Sir. I had to leave.

Mr. DEPUTY PRESIDENT: That's all right. We understand that there has not been anyone who has been so qualified at his age.

SENATOR THE REV. CANON J. L. SPRINGER: Thank you very much. I am very glad to hear that. I hope it will not be the one isolated case, but that arrangements will be made for this kind of ability to be recognised in our society.

I would like to say a word about the role of the private sector. It seems to me that we are seised with a kind of mentality that says Government must do everything. I know that there are some private sector organisations that have gotten involved in the educational process in terms of financing certain projects. I believe that some of the firms in town supported, for example, Dr. Allsopp's Caribbean Lexicography Project. There was some publicity about this recently. Regarding the schools sports, the revived secondary school sports, I was very pleased to see CBC was able to cover the sports due mainly to the assistance of BET and BARTEL that sponsored the afternoon coverage.

There are other areas that the private sector might consider getting involved in, especially in these times, when Government is hard put for funds. There is a lot of research to be done. In the leading countries of the world – Canada, which I know a bit about firsthand – the United States and in European countries, a great deal of funding is given from the private sector, especially in the area of research, because they realise that once they have helped people to develop themselves and also to come up with various chemical commodities and so on that they, in the long run, will benefit from that kind of arrangement. They put funds into it and help the system along. I think that we need to learn something in this regard.

I congratulate those who have been giving some help, and some of them with not enough publicity, but then there are others that have not even begun. I think we need that, especially in these difficult times when even the university is coming on to hard times.

I must say a word about CBC under Head 13, Prime Minister's Office. Let me make it clear that what I say is purely wearing the hat that we all wear as citizens of Barbados and not because I have been appointed to speak for CBC or any organisation. I think it would be unfair in fact for anyone in here to be required to speak for any particular organisation in that regard since we are put here as Senators of this country.

I happen to know a few things about what is going on there and I think the problem at CBC must be seen as one that originated in the previous administration which thought it necessary to develop and expand CBC. As things happen in the whole political arena, one person sows the seed, the other waters. That is biblical. Paul planted, Apollos watered, the increase came from God. In this case, there might be no increase in a hurry. That is how it started sometime in the late 1980's.

Having made provision for the setting up of this new institution and these new channels on the STV, and therefore having made several changes in the process, it was necessary to give the corporation a period of moratorium during which it could catch itself and begin to raise revenues in various ways. It follows, therefore, that when once that arrangement was set in place, there was a need for an injection of funds to tide the corporation over and take it through the difficult period until it caught its hand. It is still going through that period of trying to catch its hand. For example, as Senator Walkes, said, there are areas where profits are being made. It is being absorbed by the heavy interest payments that the corporation is saddled with. It seems only fair to me – and the Prime Minister obviously has found it fair – in this Head to put aside again some funds for the corporation. I regret that it had to be reduced from the $2 million that it was last year. It is now $1.3 million but, nonetheless, I am sure that all the authorities at CBC will be happy that it was thought necessary to make this provision again. I do not think one should have to make any other case for the corporation receiving help. The fact that the Government has set it up and there was a need for funds and one Government continued where another left off says that that justifies the kind of help.

There are other reasons I could give. CBC is an education medium and if one can inject funds into the Barbados Community College, for example, surely the corporation can be and should be seen in that light. After all, we talk of free education across this island. I am pretty sure there will come a time when the corporation will be able to balance its budget. It is a corporation that provides a public service for a wide cross section of the Barbadian public and it also serves some of the other corporations in terms of the ads that it provides for them.

I would like to see an end to this political footballing that is being made of the corporation, that people recognise its usefulness and appreciate the work that is being undertaken by the management and the staff there. For the most part, the people who work there are not quite sure how to behave, who to please and what to do because everything they do seems to be wrong. There are those who stir up strife about the corporation on a daily basis and you cannot get the best out of those who work there because they are uncertain about whether they are doing the right thing or the wrong. I think we ought to allow the professionals to operate and not interfere with them as often as is being done.

I'll say a word in a moment, Sir, about "Gutterperk", particularly under this Head. However, there is the problem of sponsorship of local programmes. Senator Walkes reminded us that that grant has to do with the production of local programmes. Everybody has been crying out for the production of local programmes. The corporation has been unable to fund them because it turns out to be much more expensive to fund production of local programmes than to go and order the canned ones. So we end up, except we can find the funding, with all the garbage that North America has dumped. Even though we cry out and say we do not like it and do not want it, yet we end up having it for the sake of having something on air. You cannot blame the corporation for that. They do the best they can. We then run the risk of ending up with a whole lot of lifestyles that are contrary to what we want for our people here in Barbados. For example, if anyone attempted to come up with a local soap opera that was exactly like "Days of Our Lives" I would advise the corporation to dump it, while it would be suicidal to attempt to remove "Days of Our Lives". I could not go home if it were to be removed. Nonetheless, the point I am making is, because they do it, we do not have to do it too. We must expect higher standards ourselves. Do not start at their level. We must start at a higher level than that.
4.55 p.m.

Again, we must rely on our sponsors. Sponsors are very slow to support local programming. They will support all these other soaps that we see and hear about but they shy away from local programmes in spite of all the talk about developing our own culture. I would just leave that as a word to the local advertisers and sponsors to appeal to them that they have a responsibility in this country to help in the development of culture and an ideal way of doing it is through this State corporation.

I do believe there is a need for a state corporation to control these things. Imagine what the situation would be like if the State, through a corporation, had no control over CBC, if it were possible for the people there to do whatever they like, treating it as a station for relaying what came out of a foreign country. There is still that little bit of control because it continues to be a state corporation.

Sir, where "Gutterperk" is concerned, I think it has been a liability. I for one am glad to have it off the air even if it is not off entirely. I am not sure. I cannot understand how people could be, day after day, contented with sitting down and listening to so many lies, half-truths and so much that is inaccurate and no correction, nobody coming forward or getting up and giving the correct thing, then calling themselves a Gutterperk family, a handful of people doing this...

Mr. DEPUTY PRESIDENT: Maybe they are family.

SENATOR THE REV. CANON J. L. SPRINGER: Well, birds of a feather flock together. I really think we have to come better than that in the Barbados we want to service. The original "Gutterperk" was a different programme. It has degenerated into this kind of insipid thing. What it was before was a programme where somebody called in and said, "Sir, I have a problem here with my land taxes, can you tell me who is the person to deal with it or can you get the answer for me?" Somebody said "Hold on". If he did not do it the same time the next day you would hear somebody saying "Somebody called about a problem of land tax, I have the answer for you or here is somebody who can give you." That was a positive kind of programming. Now, we have this thing where everybody is an expert on everything under the sun. That is not the kind of society we want to have. I do not regret that it does not exist. I do not think we should spend the people's money on letting the people do that kind of thing to themselves.

Just a brief comment about Head 28, Sub-Programme 5, Police Services, on page 47. Under Sub-Programme 02 in the Notes it says:–

"The function of this sub-programme is to:–

(a) preserve the peace, prevent and detect crime and other contraventions of the Laws of Barbados;..."

I draw attention to the Operating Expenses on Page 47 which is an amount of $1 554 000, and wondered what would be involved in that particular amount. I noticed recently, Sir, that there is creeping in a system of rewards. My question really was whether that was included in there, because I could not find any other Head that would be responsible for the rewards of $10 000 being offered to bring forward information.

I think that is a retrograde step in a small country. First of all we have to find the money and all of us have to pay in the long run. I think it is most disgraceful and undesirable therefore that in a country as small as Barbados, people have information and have to be paid to come forward and give it. What we will encourage if we continue this is that people are going to keep the information and wait until they hear there is a reward, then they are going to come forward and get the reward.

I think we ought to leave it that way and let all those who ever talk to the general public – I think the Church must get involved here – bring a sense of morality to people. Because somebody's puppy is lost answering to the name of "Bow Wow" on Bay Street, you do not have to wait until you hear there is a reward of $500. You go and ask around who has lost a little puppy answering to the name of "Bow Wow" and return it. We are now encouraging people to do the right thing once they are paid for it. I cannot support that. I hope that Government or whatever Department, the Ministry of Justice I think here in this regard, will take another look at that and call on Barbadians to be the proud Barbadians we say we are and stand up and say what has to be said.

There is just one comment on Prisons, Head 28 again, page 50, under the Ministry of Justice. The meagre increase for Operating Expenses under No. 212 on the page opposite, it was $167 000 now it is $250 000. To me this does not reflect the increase in the numbers that we are having in prison. I wonder what special provisions are being made considering that people...

Aside.

SENATOR THE REV. CANON J. L. SPRINGER: They are growing their own food. That is one way. Better than that, Sir, I would wish that the Ministry look at the possibility as soon as is humanly or financially possible of removing the prison from there. There are a whole lot of problems there. One is security. A fellow can get over the wall and before you recognise it he is mingling with the crowd and you would not even know the difference. I think it would be ideal – rather than to take the prisoners to farms and let them work sometimes and probably run the risk of escaping if you ever let them cut canes – I hope you would never let them cut canes – they should be living on a farm. We should create a farm. Go out in the country somewhere where there is a lot of open land owned by the Government and set up a prison that is a farm and make them work it...

Mr. DEPUTY PRESIDENT: Would it not cost more to police and keep them?

SENATOR THE REV. CANON J. L. SPRINGER: In the long run it would pay off.

Mr. DEPUTY PRESIDENT: If they get away, would you have a steel net to throw over them or something?

SENATOR THE REV. CANON J. L. SPRINGER: No. You would then be able to have your Defence Force and other officers standing at appropriate points watching the exits, walls, and so on which you cannot do at

the moment. You cannot properly watch Glendairy walls. I think we might, for the first time in many years, consider a proper prison somewhere because crime is on the increase. Hopefully, one of these days if the Churches are able to do what they must, we will be wondering what to do with the buildings that we have. Until that time I think we are going to need them for a pretty long time.

That, Sir, is my submission. I hope that out of this exercise we will be able to use what funds we have at our disposal in meaningful ways which would be appreciated by the people and that even those who have to suffer in the interim we will recognise that it is for the overall good of all of us.

Thank you, Sir.

SENATOR Mrs. M. BARKER-WELCH: Mr. Deputy President, I wish to support this Appropriation Bill brought before the Senate at a time when Barbados, like the rest of the world, is reeling under what is now familiarly known as structural adjustment.
5.05 p.m.

Mr. Deputy President, development cannot be measured just in terms of statistics and numbers. That is something that I think people in Barbados are forgetting. In spite of the fact of structural adjustment, the Government has the duty to look after the physical, mental and moral development of its people. Criticism by the Opposition or other persons is only natural and indeed necessary. We are working in a democracy and criticism is just. People have a right to protest. Sometimes it can be counter productive when it is indulged in to the extent of negative propaganda which can only serve to damage the reputation of Barbados.

Mr. Deputy President, I should like some of our people to have the opportunity to travel abroad and see what happens in countries which although claiming to be democratic, operate under a very much more stringent system than we do. I was just in a country where, like Barbados, like other countries who say they are democratic, people wanted to protest and they did protest. But the minute they protested, there was teargas and bullets; people got shot. I personally witnessed a protest in Barbados of I think it was about 10 000 people – I know the report said a lot more but I am not even sure it got to 10 000 – but we saw a big protest in Barbados and not a shot was fired, not a bit of teargas, nothing like that.

I think the people in Barbados have to wake up and be thankful for the sort of country that we have been able to maintain, up to now, and that they should do everything in their power to come to grips with the situation and help us and not damage our reputation abroad. One only has to listen. I must confess I do it very seldom because I am distressed, utterly distressed at the kind of garbage that passes for call-in programmes in Barbados. I have lost respect for a radio station which chooses to choose moderators without even any understanding of what the word moderator means. People are encouraged to blame and to spread propaganda. The thing is that it is so one-sided that only one opinion is allowed to go on and on.

We have just witnessed a very serious incident regarding the Guatemala sugar. Mr. Deputy President, as someone who is from time to time exposed to the international scene and with the sort of communication we have in Barbados today I know that it can be very, very damaging to Barbados. Instantly it is relayed to all the islands in the Caribbean. That is the first thing. People in Barbados tend to forget that what is said in Barbados immediately is in Trinidad, Guayana, everywhere, and now CNN. They choose to forget that and they go on the radio on the call-in programmes. I must say that they are not at all complimentary to Barbados, given the fact that we have boasted such good education for such a long time. I trust that we will be able to overcome that.

We are living, as we say, in a democracy and sometimes it makes one wonder – I do not want to see a dictatorship. I do not want to see anything of the sort in Barbados. If the people in Barbados are not misusing the liberty that they have been given and if it is right that a country can suffer just by a few people. Because, believe you me, when you count the percentage of persons who are doing these things it is a minority. Just as how Barbados stands to lose all in tourism through a minority which is not behaving in the way that it should.

And so, Mr. Deputy President, whilst we have to cut – everybody knows it – we have to cut expenditure. There is no other way. And with all the talk. When we were spending money on certain things it was called squandermania. Now we are cutting, we should not cut. We should put back money here. We should put back money there. I am convinced that this Government is acting in the interest of all Barbadians and not just one sector.

I should like, not to go down the negative road, but to highlight one or two positive things. First of all I would like to reassure my colleague Senator Inniss that there is reform going on in the civil service. I can vouch for that. Right now the Ministry of the Civil Service has just completed a seminar which was attended by members of the administrative staff in the Ministry and also by the officers of the O&M (Organization and Management). That seminar was in February this year. I can vouch for it because I sat in on it. I was so proud of the fact that a young Barbadian woman whom this Government had trained was able to come back and to display her intelligence and her organization. She ran that seminar in a very wonderful and organized fashion. That seminar

dealt with job evaluation, work measurement and interviewing techniques.

During that time, exercises were done, the actual interviewing techniques and so on because there is ongoing inspection of every department of the civil service. This inspection has been occasioned because, especially now that we have been cutting back staff. We do not want to have the quality watered down. The quantity might not be there but the quality and the productivity has to be maintained. This inspection team will be going around all of the offices with a view to seeing how best we can deploy the people we have got. It is obvious that in some offices there may be more people than is necessary. This is where work measurement and job evaluation come in. Some may be the other way. And so, in that way having these trained personnel inspecting we will be able to come up with the best possible way of making our service efficient.

I would like at this moment though to make a remark on the way some civil servants see their jobs. Some civil servants are getting into the political arena and that is a very bad thing for the civil service. We in this country have allowed politics to cause us to be very divisive and to negate all the professionalism that we have been trained to portray. I would like to call on all civil servants – there are very smart ones, very brilliant ones – to put aside that and to hold to the principles of the civil service, the confidentiality and things of that sort and integrity. Because the only way Barbados can progress is if we have a good civil service. The civil service is the hub around which everything else functions. The way we give our services, our welfare, our culture, everything hangs on how our civil service functions. And so I am very glad to be able to say that the civil service reform is going on apace.
5.15 p.m.

Now that is not something, as you know, that can be all of a sudden. You would not see the effect of it immediately but I am hoping that within the minimum of time that we will be able to see the effect of what is happening now in the civil service.

In the Ministry of the Civil Service, responsible for training, I also heard mention about training. Now we all know what happened to training between 1976 and 1986. Everybody in Barbados knows what happened to training. I don't want to go down a negative road but in order to bring us up to date I have to remind some people that Erdiston College nearly went out of existence and that people's training did not take priority because a lot of people did not know we were going through structural adjustment at the time. People did not know it because they were not told. Nobody came out and explained it but we were going through it. Let me tell you, training has not suffered. In 1991 an in-service training course in the Ministry of the Civil Service and in-service training courses in Management, in Senior Management, in general Staff Development and in Administrative Programmes, in-service training has been continuing apace and we have 35 persons in upper management who went into this in-service training and 92 in general staff development.

These management development courses contain subjects like personal management, middle management, human resource management, executive management and so on. They have been attended by civil servants in the higher grades and they have been contributing very much to the general class work. They have been contributing their experiences and from the classes which I happened to pass by because I am working in the Ministry of the Civil Service and I like to see what is happening and I have seen that there is a general, not only an acceptance, but a participation by officers of the higher grades and of the lower grades.

Apart from in-service training, training has been going on all over the globe. We have part funding training in audit testing and fisheries processing, even in philatelic bureau management, in food quality control, too much for me to read out. All of these things people are being trained in and this has been going on in 1991.

Now I don't want to cut over on other people's time because I know I have an hour but I want to say what I have to say concisely. I also want to turn to the area of community development. That is Head 38. As I said before, money is not everything and even though some of the expenditure has been cut from what we call vital areas, there is no need for the quality of our services to be cut. I am convinced of that. I remember in 1986, as a new Parliamentarian, I worked with the Ministry responsible for national assistance. In 1986 when we took up that portfolio we found that the moneys that had been voted for the National Assistance Board had been squandered in one way or another and we had to go for a supplementary vote of about $1 million.

Since then, Mr. Deputy President, the National Assistance Board has come out of that and has been able to balance their budget all the time and at the same time give needed service to the people of Barbados who needed that service. The National Assistance Board looks after the older folk who have problems with house repair and who need things like beds and stoves and things like that.

The National Assistance Board is a success story. Right now they have developed a really good system of dealing with the old people's homes. I can vouch for that because several homes in St. Joseph were repaired and the home help has been revamped and people are getting to rely more on the service because it is a good service. Only last year they developed another avenue. What they have done is to call in these old people, who have been getting some of their help from time to time, to the Queen's

Park. I was there last year and the year before as well and some of these old people performed and then they were given a little lunch. They are just brought out on this one day and the National Assistance Board looks after them. I think the National Assistance Board has become a success story. So it isn't all gloom and doom my friends.

In the Community Development Ministry there is also the services of the Welfare Department which are on-going, but there is also something else that has been happening in the Welfare. Now, you know that welfare is for persons who do not have work. Well the Welfare Department has also developed a system whereby they are helping people who come to them for welfare to get some work and not only that, but to upgrade their skills. Now that is very important because handouts don't do very much for people. We have to do it because we have to look after those who cannot look after themselves. It is demoralising and therefore I am very happy that the Ministry has thought of upgrading the skills of some of these people. I should really say some of these women because for the most part it is the women who have to go to the Welfare Department when they have no money to buy food or clothes or so on for their children. Their skills have been upgraded and I think that is very, very interesting.

We have these two departments that I have made. I have not finished with the community development. What about the Child Care Board? That too, in spite of the cuts, what has been happening? We have been getting more people interested in fostering children which is a good thing. We want to get away from the children's home. We know we must have some but we want to have our children growing up in a home atmosphere and over the last 2 years there has been considerable improvement in the sort of persons who have been fostering and the number of children that have been fostered.

I listened carefully to the Senator over on the other side talking about the National Cultural Foundation. Let me tell you something that in the words of the department itself, the National Cultural Foundation, they listed 1991 as overwhelming. The NIFCA entrants...They said that it was one of the best years they ever had in 1991. I am saying that the National Cultural Foundation, even though the money has been cut, have decided they are going to come up with creative and innovative ideas. I can give you just an example of what they are going to be doing between this year for 1992 to 1993. They are going to have 12 community workshops and 15 music workshops. They are going to have folk singing workshops to improve the quality of the folk singing coming out of the various schools and they are going to have visual arts workshops. This is something that I thought was very, very innovative and creative. They are having a wooden toy making workshop. That is very good. They are going to be using some of the Barbados woods and they are introducing this as a potential source of income and as an alternative to imported toys. If we have the toys here, we would not have to spend that foreign exchange to get the toys from abroad. They are going to encourage the use of local material and they are going to motivate people to create toys that can express our Barbadian heritage. I think that is very innovative.

5.25 p.m.

Sir, we would wish that not one Head of Expenditure will be cut. In fact, we would wish that some could have more money. But we have to be aware of the situation and it is no good talking about what should be cut and what should not be cut. We have got to do with what we have got just like our foreparents did during the war and even after the war. We have got to cut and contrive. We have to teach our children that they must not be too proud to wear their sister's or brother's clothes. We used to hand down clothes. They were not rags. They were good clothes but one had out-grown them. After I out-grew mine, they were passed to my sister. Children nowadays are not being trained into that. Everything must be new. But we had a period of time when the Barbadian mothers and fathers got out there and cut and contrived. That is the reason we are here today. They learned to wash. One had one white blouse. Some boys had one white shirt and every day they were proud and clean. I think that we need to inject some of that sort of discipline and hard work into this society. We have allowed ourselves to watch television and I must say that I blame a lot of the parents in this country for some of these acts that are committed by the young people in our midst. We have allowed our children to "drink" in the television. We do not talk to them enough. They drink in whatever is there on that television set. They are young so they do not have the sense to understand what is real and what is not and so we are having this problem. For this reason, I think that any time spent by the community groups, church groups and other groups in motivating and directing these children is doing something worthwhile.

Sir, I want to acknowledge the contribution of PAREDOS which is trying to help parents to understand how to deal with their children. They are with it. They are using the "dub" to advertise what they are doing in a very positive way. We tend in Barbados to use things negatively. I say there is nothing bad in copying good things. We do not have to copy the bad things. In fact, there is something good when you can take out the good at what you are seeing and copy it.

Sir, the NCF is aware of the fact that the money has been cut down but they are planning to go full steam ahead during 1992 to 1993. They are going to have a jazz festival and this year the Crop-Over Village is scheduled to start on June lst with various Barbadian things going on. Watch for it. Already for the whole year there is a full schedule for the Queens Park Gallery. Even though we are suffering from cuts, we can still maintain our cultural activities and we can look for new and innovative ways of dealing

with the situation. This situation is a testing one and we in Barbados are undergoing this test at a time, as I said before, when the whole world is undergoing this. The whole world is suffering from the same sort of lethargy. I do not know what is happening but I believe, as in the days when there was a beautiful Greek Empire which went down and there was another one that went down and so on, that out of the ashes from time to time something great still has come. I am hoping that this will happen.

Sir, just a few days ago when I was in Vienna, Austria, I was amazed that in the hotel where I stayed my executive secretary came back after one hour to find that her camera, carry-on bag and knife with a beautiful engraved silver handle were gone. We could not believe it because I thought Vienna was the safest place in the world. It never occurred to me and I did not see any cops around. I did not see anybody. I did not even see a conductor and that was amazing. But this is the amazing part of the story. That happened between 6 and 7 p.m. and the manager of the hotel called the police and the police said they would come in the morning. They did come in the morning. But I am saying that, if that had happened in Barbados, there would be a loud hue and cry and a certain newspaper would have it in the headlines blazing out – "No police between night until morning". Here it is in this very developed country they can do that.

Sir, I am always saying that we are small but we do not have to follow. We can lead. With the sort of discipline that those of us in here were brought up with, I am sure that we in our own way can help to provide the impetus to arouse the people of Barbados into a moral consciousness. We tend to think that government should do it or let somebody do it. Nobody is saying, "Let me see what I can do in my own little corner". That is what we have to do. We have to do whatever we can do in our own little corner.

I have no doubt, Mr. Deputy President, that in the years to come, if we are blessed with long life, we will look back on this stage of Barbados' history and recall how against all the odds Barbados came out good. I thank you, Mr. Deputy President.

SENATOR J. J. PAYNE: Mr. Deputy President, I am very pleased to add my voice to the debate of this year's Estimates. The Estimates time is always a time when we look at the way how we will spend the revenue which Government collects over the coming year. Indeed, as we look through the documents which have been given to us on the various Heads of Expenditure, we have noticed that there have been many areas of reduction. I believe that there are very few people in this Chamber and indeed in this country who would not have expected some reductions and indeed some sharp reductions in our various items of expenditure. I say that because I believe Estimates debate is a very serious agenda item not only for us as parliamentarians and for the Government, but it should be a very serious agenda item for the entire country.
5.35 p.m.

I believe that most of us in Barbados have focussed a lot more attention on the budgetary proposals and the revenue which Government collects, and indeed the concessions which Government will grant in those budgetary proposals. In fact, I have been following the news recently and I have seen that some organisations which have been making proposals to Government regarding what concessions they are expecting from Government in the budgetary proposals.

I would like to see at Estimates time these documents discussed by the various organisations, by those various companies which have been making large profits, and I would like to see them look at the areas in which they can make a contribution towards areas of expenditure in which Government has been called upon to spend money from time to time. We cannot consider expenditure in many of these areas as the Government's responsibility alone. We accept that it is Government's responsibility to look after housing, roads, health and various other areas, but I believe it is the responsibility of the entire country – Government, private sector and the people of Barbados – and for that reason I believe the Estimates is a subject which should have wider discussion and should involve a wider participation among the community, and indeed the country. The effort made by the newspapers and the media generally to inform the public on these debates is not sufficient at this time. We need to stress the importance of having these debates widely circulated.

The point is that we have had some reductions in the various items of expenditure this year, something which we no doubt would have anticipated. What concerns me also, Mr. Deputy President, is the fact that when we listened to the opening statement from Senator Clarke, he has been able to tell us that debt servicing during the year 1991–92 took something like 24% of our national cake, and it is expected during the year 1992–93 to increase to about 31%. If we are spending such a substantial amount of our revenue on servicing debt, it tells us therefore that we are perhaps spending too much of our money in certain areas and it is important that we try to cut back in certain areas. This is, certainly, what the Ministry of Finance in all prudence has sought to do this year. It is for those reasons I believe that all of us in this Chamber should welcome the effort which is made by the Government to trim expenditure as far as possible, especially to the extent where we do not take away those essential services to which the people have grown accustomed. At the same time we should seek to reduce the debt burden which the country is facing.

We in this Chamber, Mr. Deputy President, have many things in common. I believe that our calling

as members of this Chamber is rooted in justice and a concern for fairness. When we seek to impose taxation we must adopt the principle "to each according to his needs and from each according to his or her resources." When we come, therefore, to spend the resources which we have, we should look at those areas which will benefit the poor and the more needy in our community and try to allocate our funds in an area to ensure that there is that balance, which would mean that the gap between the rich and the poor does not become exceedingly wide. Since we are going through a crisis, not only in Barbados, a worldwide crisis in terms of our economy, it tells us therefore that we have to adopt prudence, particularly in the management of our economic affairs.

Mr. Deputy President, when I say that the responsibility must not be seen solely as the Government's responsibility, I want to give you a particular example of what I am talking about. I know that we have many areas of national concern which affect not only the Government but many other institutions in Barbados. I was discussing an example with a colleague of mine just the other day. There is a road in Holders Hill, going up to Hoyte's Village, which is so narrow that there have been three or four accidents along this road leading from St. John the Baptist Church to Redman's Village every year. I believe that the reason why this has been allowed to continue is because everybody sees it as the Government's responsibility to widen that road. Every year it costs insurance companies large sums of money to pay damages in respect of injuries and repairs to vehicles resulting from accidents. If they would spend $5 000 or $6 000 of their money just to widen that small area of road, it would make such a difference not only to the country and to the people but to the Government's expenses.

We have seen it in many other areas of our national concern. I know there is a school in Sion Hill where the property needed to be fenced, since children used to run off the school premises on to the highway. Through the efforts of the Parent-Teacher Association the school property was fenced and as a result of that we have had no other accidents from children running across the road. This is an example of people not leaving the sole responsibility to Government to deal with all these areas of concern. I am saying, Mr. Deputy President, that if we see the national expenditure as something which should concern us all and not just something which should be placed as a governmental burden, we would go a long way towards easing the burden which Government has to face and perhaps it will have the ultimate effect of reducing taxation from Government, particularly when we come to our Budget time and we will be able to improve the standard of living of people in this country.

There are certain aspects of our development for which I believe we will always have to look to Government for expenditure. I believe Government should always provide the basics for the people of any country. Government must look to provide housing, health facilities, education and transport. Those services should never be left to any private concern and we must always expect that expenditure on those items will always be the governmental responsibility. But when we look through the Estimates, Mr. Deputy President, I believe most of us become satisfied that the areas of reduction are areas which have become necessary, particularly if you bear in mind the many areas of wastage which have been occurring in many of these Departments over the years.

Many of our previous speakers have focussed on that particular area and I believe that certain areas of governmental activity have expanded to the extent that Government is no longer as efficient as it should be in dealing with those areas. Senator Clarke mentioned, for example, the Customs Department where something like $10 million is lost every year because of revenue not being collected.

5.45 p.m.

I believe, Mr. Deputy President, that Government is equipped with all of the necessary agencies and professional staff to deal with all these areas, but we still find that Government has to go outside of the Civil Service to engage the services of private enterprise to deal with many of these areas. For example, the National Insurance Department has to recruit the services of debt collectors and lawyers to collect funds from companies which are delinquent in making their payments. This is something which should not happen because within Government itself there is a Legal Department which should be able to handle those matters which would save the Government considerable sums of money. We, as lawyers welcome the opportunity to make additional fees, but I believe those lawyers who work for these institutions would welcome the opportunity also. I believe that these are areas which if we could improve on the efficiency within the Government would save considerable revenue for the Government.

Many persons have spoken also in relation to the Civil Service about efficiency. I believe also that we have not only to look at the question of management within the Civil Service but the rank and file within the Civil Service need to be given an opportunity to participate in the decision-making activities of these departments. I can tell you that in an area like the Registration Department there are many areas of activity where a clerk at the desk may be able to give an easier solution than somebody working much higher up. I feel that, when it comes to the Civil Service, we have to look at the question of participation of different persons involved in the workforce. That is something which is of concern to me and which I would like to impress on Government to deal with as a matter of urgency.

On the question of education, Mr. Deputy President, many of the previous speakers have dealt extensively with that subject. I feel it is an area of utmost importance. We have to ensure that we continue to focus our attention on education, particularly at the early level – primary and pre-primary stages. We have always recognised that education at the secondary and the tertiary level even if it is free at that stage... I believe that if our students are not already on a good foundation in the primary school they are too far gone. It is important therefore for us to focus more of our attention in dealing with the primary and pre-primary levels.

It concerns me tremendously when I read the news and see Parent Teachers Associations at various schools making protests about the conditions at these various schools. This is something, Mr. Deputy President, which should not exist, particularly when we look at the fact that some of the expenditure involved is not large. In many cases, it is just a question of dealing with toilet facilities or an area of security. I feel that, when we come to areas like that which can affect the educational standards of our children at that level, Government should try every effort to ensure that the students are able to function as comfortably as possible and to ensure that the teachers are comfortable in the working environment.

Mr. Deputy President, I could not allow this debate to pass this year without adding my voice. I would not want to speak at any length. I believe that what I say in the debate will be recorded but after we leave here many persons may not remember what I said. I thought I should add my voice in support of the Estimates because I believe hat the Government has made every effort this year.

This has been perhaps one of the most difficult years n the economic climate in this country and we have made a very desperate effort to ensure that the Estimates as presented are such as would do justice to all sectors. As we go on towards the Financial Statement and Budgetary Proposals which will come later during the year I believe, no doubt, that we still have to concern ourselves in ensuring that Government is able to keep within the confines of the Estimates which are projected and which we agree to in this debate.

Finally, I want to touch on the question of tourism. Senator Inniss suggested that we adopt certain features of the tourism policy of Brazil. I, myself, have not visited there, but I can say that I believe, as Senator Barker has said, that there are certain areas which we have to take examples from. We have many visitors from various European countries who speak various foreign languages and it only came home to me forcibly recently that many of our nationals here are not encouraged to learn foreign languages so that they can communicate more comfortably and easily with visitors when they visit our shores.

I feel that we should try as far as possible to ensure that when people visit our shores we are able to communicate with them and make them feel comfortable. If someone comes to our home, it is important that we be able to communicate with that particular individual and I feel that programmes should be initiated in the wider community so that people are able to communicate with the tourists. Many times we are met on the highways by tourists asking for a particular direction and because of the mere fact that we are unable to understand their language and they are unable to understand ours we are unable to be of assistance. I can tell you I have visited foreign countries and was unable to speak the language of the country and I can tell you how difficult it was.

I believe that is one area on which Government can focus particularly. People from Holland and Germany would have a much better visit to these shores if we can have that particular aspect integrated into our policy.

With those brief remarks, Mr. Deputy President, I want to give my support to this Bill. Thank you very much. 5.55 p.m.

SENATOR Dr. F. W. ALLEYNE: Mr. Deputy President, I rise to support this Appropriation Bill. My remarks will be brief because the ground has been covered already and I assured Senator Cole I would not detain him. I am happy to speak at this stage of the debate because I have had the opportunity to listen to a pleasant and informative debate and some excellent contributions. None, as they say, more excellent than that of the Leader of the Senate. I had to tease him at lunchtime because I thought he had a particular tonic. He led by example.

Mr. Deputy President, I think it is a tribute to this House that during this entire Estimates debate today there has been no abuse, no propagation of lies, no slander. I can say that even for my friend and colleague. I think it is a tribute to this House. I cannot say the same thing about the other House when this Bill was debated. It was nothing but a disgrace, lying on people, slandering people. I do not belong to that House. Senator Dr. Simmons does not belong to that House. Senator Dr. Clarke does not belong to that House and, if you go and read the record over there, you will find our names in that debate and all associated with lies.

If you read the *Nation* of Friday last week you will see that the Opposition spokesman for Finance was intent on slander and that is why that debate never got off the ground. It did not get off the ground because they did not seek to get that debate off the ground. The first thing he had to say was that I said, in my capacity of Chairman of National Insurance, that $600 million was carried away from the National Insurance. He knows that that is an unmitigated lie. I have to say, Mr. Deputy President,

that fellow will never speak the truth when he can get a good lie.

I wrote to the *Nation Newspaper* about it. You would believe on the Saturday morning when you saw the *Nation* that I had an interview with them! I wrote a letter. I have the letter stored in the memory of my computer. I spoke to Mr. Chelston Lovell, a journalist, for whom I have great regard. He is a very decent journalist. He is not going to fool around with any unprofessional standards, but he does not have the final say. When I got to the University, I called him again and said, "Chelston, publish my letter. I know why I wrote a letter." He said, "All right, Frank, I will do that." Lo and behold, I looked at the Saturday morning paper headlined a lot of baloney. That is not my language. I do not talk that kind of talk. That is the foolishness you have to put up with.

The Opposition spokesman for Finance knows I have said again and again in Barbados that since 1980 the Auditor General of Barbados has not approved the accounts of the National Insurance Department. I have said it in here and I have said it up and down Barbados. It is a matter of grave concern when you understand what the accountability for public funds requires. There is a fundamental difference between what I said and what the Opposition spokesman on Finance alleges. The Opposition spokesman knows this because he is a good student of language. I know that. He knows there is a fundamental difference between "improperly accounted" and "funds disappeared". I do not know about disappearing money. He might know about disappearing money.

I hope that one day the accounting system of the National Insurance can be sorted out to the satisfaction of everybody. Since 1986, this Government has been fighting to have it sorted out. With the best of will, Mr. Deputy President, I defy any auditor or set of accountants to produce financial accounts for National Insurance for 1984, 1985 and 1986. It is a fact. I have copies of all the evidence. I do not get up and talk hearsay.

Mr. Deputy President, I have to comment that in the pre-lunch session of yesterday, the Opposition spokesman, Senator Barker, started to lay the ground-work, and I agree with much of what he was doing in terms of his analytical framework. I would give him a very high mark for it. I believe that he took something at lunch and he came back in a very pugnacious fashion. He broke away from that framework but, I have to agree, that the record will show that he did justice to himself in that pre-lunch session.

These Estimates before us are stabilisation estimates. I agree with Senator Barker that the Letter of Intent is very clear. The Government made certain commitments in the Letter of Intent and as a decent Government it had to honour these commitments. We have to ask ourselves in Barbados why the Government has to come down with an Appropriation Bill informed by stabilisation? It has to do this because for several years in Barbados there have been persistent deficits. If you look at page 13 of this document, there is a table which gives a series from 1981-82 financial year to 1990-91. In 3 of those years there was a surplus. All of the other years there was a fiscal deficit. It is there for everybody to see. We had a succession of fiscal deficits.

Any fiscal deficit expands the Government's budget, and when we refer to budget I am not referring to budget in the conventional sense in that this is what you raise by tax revenue. I am looking at the Government's spending capacity. That is what a fiscal deficit does. In the final analysis, it expands the money supply, particularly, in the years when we were borrowing through Central Bank accommodation. It is a fact that these fiscal deficits have to be financed and when you finance them they impact adversely on the external reserves of a country. I am sure Senator Barker will agree with me on that.

Apart from these fiscal deficits there is the weak performance of the private sector. Everybody is talking about Government but the private sector is not performing well. The evidence is there. If you look at the trend in the growth of output of tradeable goods and services in Barbados in the 1980's and 1990's, you will see that the leading areas of that growth have been in the non-tradeable sectors. It is a fact. Anytime this happens for a protracted period that country is bound to run into external payments problems.

Agriculture has been going through a long-run decline and is at its lowest point. I came in on the tail end of the Leader of the Senate's speech this morning, and I felt good because for the first time in many years in Barbados I heard a Minister of Agriculture speaking with authority. The last time we heard that was when my friend Senator Morrison was over in Waterford.

In the manufacturing sector, there is the same experience. That period of sharp decline started in the 80's before this Government took over. When you hear people talk, and a particular person over in the other place who likes to slander Senator Dr. Clarke and say that from the time Senator Dr. Clarke and Mr. Greaves took over manufacturing receipts fell by one-half. Tell me which Barbadian had any say in the decision by Playtex to leave Barbados or Intel or Corcom or any of those foreign enclaves? No Barbadian had anything to do with their decision to leave Barbados. We have to be truthful. In a real sense they were not part of the Barbadian economy. They were operating here and what you had was an inflated figure from manufacturing exports, but when you look at the real impact on the economy and on our foreign reserves it certainly was not proportional to the gross figure that you had. That is the perception and you take that large figure and try to fool people. All of us know since the

third quarter of 1989 tourism has been softening. It has been softening in spite of the best efforts of the hoteliers and the Government. The hoteliers have been working hard. The Government has been working hard but yet tourism has been softening because the international economy has softened.
6.05 p.m.

The third thing I wish to point to which gives rise to the stabilisation programme is the fact that since 1976 the Government of Barbados at that time embarked on a massive programme of external borrowing. It was able to do that because by 1976 when the Democratic Labour Party left office Barbados hardly had a foreign debt. It so happens in the 1980s Barbados experienced a situation of rapidly rising debt service. By the end of 1991 we were in a critical situation. By 1990 we found in Barbados that the current account of the balance of payments was hardly able to contribute anything towards external debt service and also towards financing the capital works of the country.

There comes a time when other countries do not trust your ability to repay. That is where Barbados found itself by 1990. The point I am making is that these things took a long time to develop. They did not develop overnight. With the undermining which started in earnest in 1986, history is going to be very unkind to certain people and groups in this country. The records are there. Those who have a respect for history should be very cautious of what they write and say.

I have said before it has always amazed me that it has taken so long for the Barbadian economy to reach this juncture. Check and see how long ago newspaper headlines were saying currency devaluation. I have referred already in this Senate to a newspaper headline which said the Barbados dollar was selling in some country in the Caribbean at 4:1. In which other country in the world would you find a national paper with a headline like that? All kinds of, what I call, economic terrorism were going on in Barbados over the last 5 or 6 years and the country's economy survived it that long.

This particular set of forces, Mr. Deputy President, has forced the Government into a stabilisation programme. Ever since 1988 the country has experienced massive foreign reserve losses as well as massive capital flight. There is a limit to which you can continue that haemorrhage. The first thing you have to do is halt the haemorrhage. That is what the 1992-93 Estimates are about, bringing a halt to that hemorrhage and laying the foundation for growth.

If we are going to stabilise a country, the first thing the Government has to do and sets out to do in these Estimates, is to halt the slide in our foreign reserves. One has to understand that on entering into a stabilisation programme with the IMF. The technocrats and officers in the Ministry of Finance, do not decide by guess what is going to happen to credit, what is going to happen to adjustments on the expenditure side by chance. They have a model which guides them. That model is familiarly known as the monetary model of the balance of payments.

What they do is they trace through changes in the financial sector upon the balance of payments of a country. Without attempting to go into any complex explanations, what that model establishes is a link between the level of credit in the economy and the impact of that credit upon the external reserves of the country. So what do they do? We can simplify it and say if you increase credit by $1 it will have a $1 impact upon the foreign reserves. If you wish 6 months from today to have positive foreign reserves of $25 million, you will set that figure at $25 million and work backwards. You would say, if I am minus so many now and I want that $25 million 6 months from now, I will have to work backwards and see what downward adjustments in credit I would have to make. That credit figure is one for the entire economy. It relates to the public sector, the Government, (that is central Government and parastatals), and it also relates to the private sector. This is why the Government has had to put the screws on credit.

If for a moment, Mr. Deputy President, we look at what determines the Government's capacity to spend, it is taxes, credit and foreign borrowing. I think all of us know what is happening to foreign borrowing now. In the circumstances of this stabilisation programme, if you work through the model you would realise that if you want to achieve a given level of foreign reserves 3 months from now the Government will have no alternative but to face reduced credit, and not only the Government but the entire country.

When somebody gets up and says the Government has restricted credit and it is stopping people from getting a house, you know that person is either stupid or he is a deceiver. The reason why credit is restricted is to stop the slide in the foreign reserves in the country. What adjustment can you make as far as the Government is concerned? Because you have cut back on credit, you will have to lay off people. You do not have a choice. You are not laying off people because you are wicked. You just do not have the resources to employ them.

The other adjustment which Government can make is in the size of the tax revenue. You could either decide to increase taxes or you can cut expenditure but, invariably, the Government is going to end up doing both. Again you will find that is going to result in some fall out. People are going to be thrown out of work and some programmes may have to be cut. This is what has happened in the Estimates.

The private sector is affected too. If we examine what determines the budget constraint of the private sector, we see that they get income for the goods and services

which they produce. That is gross income. From that income they have to pay taxes. They also have to pay levies. They have to pay wages. There is financing cost and input cost other than labour. Of course, they can boost their spending power by borrowing. But remember, they have as part of that overall programme, reduced capacity to borrow as well. Bear also in mind that in a contracting economy their income is going to be declining. If your income is declining and at the same time you have reduced capacity to borrow, it means that you too must lay off people.
6.15 p.m.

Hence you get in the Barbadian economy, at this time, this general contraction. I am trying to explain these things , Mr. Deputy President, so that people would start to understand that people are not getting laid off because there is a wicked conspiracy somewhere.

I think, Mr. Deputy President, the essential policy instruments in this stabilization programme will have to revolve around a cut-back in money creation and this is in the Estimates where Government – and I notice Senator Dr. Clarke drew it to the attention of Senator Barker – intends to scale down its borrowing...

Aside.

SENATOR Dr. F. W. ALLEYNE: No. It is more than that – from the Central Bank. I believe that is the good news which you would have wanted to hear.

Also too another adjustment would have to revolve around reduced borrowing, in an attempt to live within our means. I was very glad to hear Canon Jimmy Springer develop this notion speaking about the call-in programmes. You hear some of the most stupid things on those programmes. I remember there was a time in Barbados when for about 2 or 3 weeks all the talk was "It is impossible to live beyond one's means." I do not spend any time getting into those kinds of arguments because they are non-arguments. If you spend 5 minutes arguing the contrary, it is 5 minutes of wasted time. I think all of us inside here and particularly the businessmen know that it is possible to live beyond one's means. If Senator Cole decides to go on a binge and does not try to run his business within his means, he knows he is going to lose it. Sooner or later he will be in bankruptcy. I heard highly paid moderators arguing that you do not have to live within your means.

The third adjustment which we will find the Government will have to do is at the level of taxation policy and expenditure policy. We have seen what has happened already at the level of expenditure policy in the Estimates before us. So it is crystal clear why the Government has to reduce its expenditure. Not because people have been shouting "Reduce expenditure" but because it is good sense to do so in these circumstances.

Senator Barker started to lay down the principles which should inform these reductions in expenditure and I agree on some of them with him. I think he mentioned that in these very substantial expenditure cuts every effort should be made to protect the maintenance budget. This point does not have to be redeveloped, because if you do not protect your maintenance budget it can become very costly in the long run. You can have very expensive equipment and if you neglect that equipment and you do not maintain it, it becomes counter productive. The same hotels for buildings and so on. We heartily agree with that on this side.

Also too I think Senator Springer, perhaps not in these words, made the point that it is important to protect those programmes which cater to vulnerable social groups. That is very important. I refer to the aged, the disabled and the indigent. Also too we must protect those programmes which promote real growth in the economy. The brunt of any cuts should always fall on consumption expenditure. That is where the cuts must come.

Mr. Deputy President, an overall assessment of the Estimates before us has to be made against the background of those principles outlined. I would just point briefly over the next couple minutes to a couple of Heads because at the end of the day when we strip the mass of figures we have before us in this document what is critical is that a policy and a strategy is left behind. If when we remove these figures there is no evidence of a policy and a strategy to generate stabilisation as a basis for growth then, this is a wasted document.

I wish to call attention to Head 13 – Government Printing Office, subsection 6, sub-programme 1. Mr. Deputy President, you will notice that the provision for the Government Printing Department has been cut from about $3.3 million to $2.7 million. There is a point I want to make here. Page 8. I believe that this is an opportunity for the Government Printing Department to examine more carefully its capability. I can tell you from my experience in National Insurance that often you will offer printing work to the Printing Department and they will say they cannot deliver or they cannot deliver by a certain time, they need perhaps 4 or 6 months in order to do it. This is a department which can earn income. I believe this cut is an opportunity for this department to re-examine what it is doing and to start to generate more income. It would be interesting to discover how much the Government pays for printing services sold to it by external agencies. That is, by agencies other than its printing department.

I believe it is an opportunity for the department to re-examine what it is doing. At the same time I must also say that in the last year or 2 the management of that department has responded well to our urgings. Very often what has happened with that department is that some civil servants – I think a Senator spoke about it

this afternoon – have deliberately set out to give the Printing Department such a short time that they were unable to respond to requests. That is something the Government has to do to set its house in order. You will always find the mischief makers who have their own agenda and will go against the declared policy of a department under Government. We have tried to set our house in order in National Insurance in this regard. We know we will need outside services but we feel that the Government's Printing Department should always have first call. That is why I expect over the next 10 weeks to 12 weeks certain elements will write columns about me every weekend because they fell that if they cannot remove me from National Insurance, there are certain things which they could get done. But it does not bother me. I have many things to do with my time.

Head 15, subsection 3, sub-programme 1. I wish to say I speak about this particular Head not in my capacity as Chairman of the National Insurance, not in that capacity at all. You notice, Mr. Deputy President, a provision here has been cut from $6.3 million to about $5.9 million. I am not making any boast. The National Insurance Department has come a long way over the last five years. It has come a very long way. This Government reorganized the management. A lot of emphasis was put on training. A lot of the deadwood has either been moved out or put in areas where it is not that great a stumbling block to the department. The point I wish to make about the department is that certainly in this coming financial year that department is going to be stretched to the fullest and I hold that view because I know that there are several persons who will cry economic hardship in order to avoid paying contributions to that department.
6.25 p.m

That department, to the best of my knowledge, has never had problems with established employers, but the problem is going to become even more urgent with the growth of self-employment during a stabilisation programme. It is very difficult to enforce the legislation among self-employed persons.

I have said before and I repeat today. I believe that no one in Barbados today, who is under 50 years of age, should be entitled to draw a non-contributory old age pension at age 65 unless that person applied for a certificate of exemption from the Director of National Insurance saying that they were not employed or they were not receiving earnings in excess of a certain sum during that particular year. I say 50 years because 500 contributions is the minimum required for the contributory pension.

I am aware that there are several self-employed people in Barbados who earn substantial incomes who will not pay a penny in national insurance contributions, but a couple months before they reach age 65 they will come with the Birth Certificate and tell you I will be age 65 by such and such a time and they expect to receive the non-contributory old age pension. It is not fair. The sources that pay that non-contributory pension are provided by those of us who work and pay. It is not fair. I know some people will tell me about a means test and so on and so forth but this country does not have a fairy godfather. Somebody has to pay. There are no free rides. Somebody has to pay for it.

I turn attention to Head 25, Sub-program 01: page 38. Now, Mr. Deputy President this deals with the Ministry of Agriculture. There is a point I want to make here. Just a couple days ago I saw in the *Advocate* newspaper, an article under the name of Mr. Robert Goddard and he was making the point – I don't have the paper with me – but I believe it can be made. Oh, thank you. This is the paper and the headline is "Obstinate stance by Senator Lewis". I was minded to write to the press immediately about it and I will tell you why. Here the writer is saying that as a Minister of Government, Senator Lewis, has a vested interest in a pet project which he established and that that interest was cutting across his main interest as a Minister of Agriculture with respect to the sugar industry. I have never believed that someone could be so biased. The point which Senator Lewis made previously and to which he was responding was that if you contracted debt you should be required to honour that debt. With that I heartily agree. I don't think there is any responsible businessman in Barbados who would argue to the contrary.

I think it was in 1989 or 1988 when I was invited to address the May Day rally by the Barbados Workers Union in Queen's Park I espoused a view very similar to that espoused by Senator Lewis and I am in very good company in the business community. I know the sugar industry experienced grave difficulties after 1982 with the exchange rate fluctuations and I am sure the Minister is aware of it because he is on record as having said that before. That is 1982, but I am also aware that there are several managers in the sugar industry, who by the record of their performance, have to be incompetent. I agree 100 per cent with the Minister that if you have an incompetent manager who is running down the business you do not throw good money behind bad. It would be folly to do it. What you have to do is change the environment and the only way you can change the environment is by removing the manager.

If I owned a property and I went to the Bank and borrowed money on that property and I do not meet the contract to repay they are going to foreclose on me. Likewise I have said before that in finding a solution to the crisis in Barbados, we must recognise that there are some good managers in the sugar industry and Government needs to do everything to encourage them and help them on their way along, but there must be a policy of phased foreclosures. The Government can train people of

initiative and people who have shown that they want to get into farming.

Mr. DEPUTY PRESIDENT: Senator Alleyne you have 3 more minutes.

SENATOR Dr. F. W. ALLEYNE: The Government will put in training, the infrastructure and what you want to do is put real resources in the hands of these people. I cannot agree with the point of view espoused by Robert Goddard. It is a backward view and it is one which is calculated to ensure that Barbados' agriculture does not move forward.

The second last point I would wish to make is on Head 40, Sub-Program 01: Cooperatives. It is quite simple. The Government has done quite a lot in the last 6 years to build up cooperatives. I think at this time in Barbados the Cooperative have a grand opportunity to take off in terms of the challenge. We must not throw our hands in the air and cry that we are unable to do this and unable to that. If we join together in the cooperative movement we have great opportunities.

The credit unions have about $150 million in funds, not all of it is liquid, but I am saying between the Credit Unions and the Consumer Cooperatives we can get together and we can challenge the established distributive system. We can set up a consumer cooperative facility which is as efficient as the biggest distributive chain in Barbados where they can do direct importation, where they could have a centre with warehousing facilities where you can have a distribution network.
6.35 p.m.

We do not have to throw our hands up in the air. My only plea is to the Minister of Trade to make sure that in the next couple of months we can have that Act declared.

The last thing is a query which I am raising that has to do with Head 34, Sub-programme 5, U.W.I. When I go through these Estimates, I hope that at the appropriate time the Leader of the House can give me some clarification or the Government will make the policy statements which will set the community at rest. I noticed the Vote has been substantially cut and I must declare an interest since I am an employee of the U.W.I. It is my information that at present the U.W.I. is in a serious bind. It is approximately $14 million in the red from the last financial year and that excludes the financing costs of having to borrow. When these $22 million in these Estimates would have been provided to the University, I am sure, as a good businessman, you will know that the first thing the University will have to do is to pay out that $14 million and they will be left with $8 million to cover the financial year. You know that cannot cover 4 months. What I am saying from the information I have here is that the University is bound to face a serious financing crisis and we can ill afford to have a crisis in the financing of tertiary education in Barbados. It is not a selfish plea which I am making at all because, if you have such a crisis, it is one which is going to strike at the very foundation of this community.

Thank you, Mr. Deputy President.

SENATOR A. MORRISON: Mr. Deputy President, it is inconceivable for me to understand how Senator Barker could begin his tirade on the Minister of Finance by saying that he does not believe in zero budgeting. Sir, we have heard in this same Chamber before we arrived at this point today that Barbados could not even pass the Letter of Intent. There were very grave misgivings in this country expressed by the same Opposition spokesman that we were going to fail every IMF test. If the Minister of Finance in his wisdom has decided to come in here and try to balance the Budget, I think it is a very laudable effort and one which should be complimented.

Sir, we have heard the Opposition make statements from last October that we cannot pay our debtors and that Government was almost bankrupt and that many firms in Bridgetown could not receive their money. We do not intend to incur expenditure in this financial year except if we can pay for it. That is over. I could never understand in one breath the Opposition is saying that the Government should bring in a deficit budget at this time and at the same time, when they are lambasting this Government on its performance of the economy, I have been hearing from that same side the things that we can do now to help the country. They are asking for this programme to do this. They even asked us to build another school somewhere or another polytechnic. Yet, they are saying that we have mismanaged. They have gone from one extreme to the next and I cannot find any fault with the approach by the Minister of Finance in this exercise at this time of our history. These are historic Estimates. It has not been put together by chance. Departments have had to sit down to gear their Estimates and work out what they want and what programmes they have in mind so that the Government will be able to give them that amount of money that they can live within their budget.

In that respect, Sir, in my Ministry we have had Cabinet approve a 4 year investment programme starting from this year 1992-93 financial year. You might be pleased to hear that is Phase 2 of Highway 2A coming from Lancaster to Warrens. It is also the road from Warrens to Husbands which is Clermont Road and it is also the Canewood Road which is from Jackson to Lears. We are hopeful, Sir, that sometime next month we will be able to issue those qualification notices and, hopefully, we shall get that second phase of Highway 2A started in some 6 months time, probably January 1993 in this financial year. That road has been a cause of great concern and damage to motor cars from Lancaster back to Warrens. We have had to pay out many claims for damage done to various vehicles. If this road is not done as soon as possible, Government will have to pay out more claims.

The Ministry has had to cut back on its programmes but they have not been shelved. We have lost workers because of certain cuts but we have a staff of about 1 250 workers which we can probably utilize in this financial year. We have given the supervisors the right to deploy the men where they are wanted. The men cannot afford to sit down and say they are not going to do this thing or the next thing. If they want work, they have to go where they are sent. We have to get the tenantry road programme going again which is with the Venezuelan Loan. We intend to complete those tenantry roads when we get the funding.

Aside.

SENATOR A. MORRISON: This is the tenantry road programme which was started by the Venezuelan Loan but which had to be curtailed recently. It is obvious that we are talking about this financial year. Those roads will be looked at and we intend to resume certain tenantry roads.

There is a World Bank Loan which we hope to get to carry on the repaving of various highways under the World Bank Scheme. There is also the junction to be done at Rendezvous and Highway 7, which is also funded by the World Bank.

We have the General Maintenance Committee in the Ministry which has examined all of the roads in Barbados. We know the ones with the degree of damage and the ones that need priority treatment. We are only waiting until the necessary funding is available to attack most of the roads in this country. We are all geared up but, because of the financial restrictions, we have to do with what money is available. I think, when we get the new Highway 2A second stage started, that should provide work for various people such as the engineers and workers as well as to get a certain amount of movement in the Ministry.

We had to stop the Oistins Post Office project due to funding. We were to do some work on the Fisheries Department building which is in a very bad state of disrepair. We are also going to look very soon at the Cheapside minibus terminal, but we are awaiting a study to relocate the minibuses. The bottom floor of Careenage House, which now houses the Immigration Department, has to be done and we are hoping we will get the necessary funding in this financial year to complete that job. There is also Parliament Buildings and a vendors' mall which we had started not too far away from here in order to accommodate some of the vendors from Swan Street.
6.45 p.m.

Sir, the whole road programme is well within control. We have all the estimates, we know those which need to be done as soon as possible, and as we go along we will try to fix the worst roads first.

As far as the Water Authority is concerned, we are very conscious of the problems being experienced in certain areas. We are well on our way to solving some problems in St. Joseph, because we have started to lay an 18-inch main, which has reached Cottage, and we are hoping to complete that main up to Golden Ridge, by which time we will be able to pump water from the new well. There are two new bore hole wells at Applewhaites from a total of seven new wells which have been dug with the equipment loaned to us by the St. Kitts Government. We are hoping to be able to pump about 3 million gallons of water per day from those two wells, to Golden Ridge and then to be pumped to Horse Hill and Castle Grant reservoir in order to help service the St. Joseph area which is now very short of water at some times of the year.

There has been a lot of talk at Apes Hill about not being able to get water although being connected. We propose very shortly to put a small water tank down there with a pump and we hope that in a couple of weeks' time we might be able to supply Apes Hill and relieve them of their present shortage.

The Barbados Water Authority has been able too to cut back and to reduce overtime almost to a minimum. We only answer cases now which are very urgent and which require instant attention. We have been able to cut down our overtime vote from about $3 million to almost $400 000 a year. We have come a long way. We have continued to realise good returns from out water bills, there has been an increase in the rates and reductions in certain expenditures. The Water Authority is able to show a profit in this financial year of about 3^{1}/_{2}$ million and hopefully in the next financial year there should be a profit of over $7 million. From those funds the Authority will be able to carry on its own Capital works and do more renovations at certain pumping stations which need to be upgraded. We have also dug a new well at Hampton, which is not yet fully in use, because there are other problems to be ironed out in that area. When it is completed it will be able to service Christ Church and St. Philip, which is now crying out for more water because of the high density of people coming to those areas. We are hoping that we can iron out our problems at Hampton in a very short time.

The Belle Pumping Station needs to be upgraded in some respects. Out of their own funds at the Authority they can do their own capital development and they are well within the limit set by the IMF programme to meet their targets. They are well above their targets for the next quarters and they will continue, throughout the whole length of the IMF programme, to be on top of their targets. They are almost self-sufficient and will need no help from the Central Government.

Sir, I do not have much time to go into the Transport Board this evening, because we should come back here some time and I will give a more detailed analysis of

what is happening there. Some people have been laid off from the Transport Board and I hope that they are now in a position to pay their staff out of what they collect in revenue from the bus fares. For the last five or six weeks they have been trying to keep the services going, with reduced service on certain routes, but when the whole system is integrated with the new routes which will be allocated to route taxis in another week or so, and with the introduction of the new regulations, we should get more order into the whole transportation system. There will be no more music in minibuses, they will have to stop at bus stops to pick up and drop off passengers and there will be a more orderly approach by the minibuses in the whole transportation system.

There is a national transportation plan which has been authorised by the Ministry, which deals with not only road transport, but transport by sea under the control of the Port Department, transport by air under the Airport, as well as motor transport. In the meantime, there is a public transportation study which is being undertaken by the European Economic Community which will deal with road transport in itself and help us to sort out what kind of organisation will be arrived at between Government and the private sector whereby we will have a leaner Transport Board. Cabinet has already given the all clear that we should privatise the Transport Board in about a year's time. The subsidy for the Transport Board this year is about $4 million, if it is available, but the idea is that we are making them try to balance their budget and to operate off their own finances because there are no more funds available at this time. The whole idea of these Estimates is to make people become more reliable on their own efforts.

We have been living over the years by borrowing and we have produced a kind of people who depend on Governments in power to produce more benefits as we go along. There was a competition between both parties that as soon as one party got into power they wanted to outdo the other party in the give-aways, the concessions that would be given to these people in Barbados. It has got to such a stage that people now believe that everything they want the Government must provide. It had to come to an end some time, Sir, and it took a Minister of Finance with the necessary guts to be able to bring this programme into being. It should have been done long ago, but in order to win elections there have been some very attractive manifestos produced by both parties. By the time we had set certain things in train in this country the Labour Party then came and started to bluff their way out to the people and have gone one step further, like the ill-fated free uniform scheme promised by the Labour Party at the time. 6.55 p.m.

Aside.

SENATOR A. MORRISON: Sir, I was saying that after the Democratic Labour Party had given this country free education, the Barbados Labour Party wanted to get one better. We gave the textbook scheme and they came up with free uniforms. It was that kind of competition which developed in this country that has pushed this country to its limits financially.

Now you would blame the Minister of Finance in this day and age for having put Barbados at this stage when it was the ridiculous borrowing by the Barbados Labour Party in those fateful years of the 1980s when they would borrow, and to coin a term from the late Errol Barrow, and the future generations must pay for what we do now. They went on unmindful of the damage which was being done in the country throughout that whole period of 1981-86. It was such a terrific thing then at that time. That is why we ended up with the ridiculous result of 24 to 3 because of the atrocities of the Barbados Labour Party on the poor unsuspecting people of this country. Today you are now telling me that it was the Minister of Finance now in office who has brought all of this havoc on this country. That is how we arrive at this point.

I am making those points, Sir, to prove that it was the attitude of the Barbados Labour Party in trying to outdo the Democratic Labour Party in the 1980s. Nobody cared about balancing a budget in those days. It was giving people more and more. It had to come to an end. It is very good that we have these kinds of austerity measures. Barbadians have been able to rise to the occasion. Our foreparents have done that. They have neglected certain things and produced their grandchildren who are now outstanding people in this community. It behoves this generation now to make the sacrifices also and live within their means so that our children and our children's children will have a free and nice Barbados in years to come.

Sir, I do not have much time available to give a detailed analysis of the Ministry's programme and also the international transport programme in these Estimates. But before I sit down I would like to remind this Senate that all the woes you hear talked about CARICARGO which have been bandied about in the last couple of days, all started with the Barbados Labour Party. By the time we took Government in 1986 that Party had run up $42 million in debt on CARICARGO.

Aside.

SENATOR A. MORRISON: We took it to $80 million. Those first 5 years were very crucial.

Mr. DEPUTY PRESIDENT: Let us not have the asides, please.

SENATOR A. MORRISON: That first $42 million that you ran up and left on us was very crucial to the whole $80 million. It is that that landed us into what we are in. We tried to arrest the $42 million at the time

and put on $38 million more. That is all we did. We are trying to find a way out of CARICARGO. We are doing our best along with the Trinidad Government to come to some sensible arrangement for the solution to CARICARGO's problems as well as its debts. In that respect we shall have to talk about that in months to come.

With those remarks, Sir, I would like to support these Estimates.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, in rising to wind up the debate on the second reading of this Bill there are a few comments I would like to make. Time is against us but I will just touch on them rather briefly.

First of all I would like to support the position taken by Senator Alleyne in recognising the high quality of the debate at this sitting. There seems to be a general feeling that a balanced budget in and of itself is most desirable. I do believe we should keep it firmly in perspective. It is the national objective we are trying to achieve. There is nothing sacred about a deficit, a surplus or a balance but the goal we are trying to achieve here is rectifying the problems within our balance of payments and improving our foreign reserves. To this end the expenditures must be reduced and if expenditures are reduced in the Public Service whereby we are offering more services then, of course, employment will have to become a victim as we seek to rectify the problems within the balance of payments to strengthen them. It is most unfortunate for those people who would become unemployed but if we fail to perform the necessary amputations at this point it means the life of the patient, and in this case the life of a country. That is what we are trying to preserve.

There are a few things raised by Senator Mottley which I would like to address. She was talking about reduction of expenditures in certain areas. If we can agree that we had to reduce expenditures then, of course, the responsibility for deciding where those reductions would take rest purely and squarely on the shoulders of the Government. The Opposition can say what they want to say but when they become Government they decide what the priorities will be. The Government then decides what those priorities are. I think we should get this in perspective.

There are a few other things raised by Senator Mottley. She said there was a lack of policy running through the Estimates. I thought I made this clear. She was not in her place when I made my presentation and she is not here now. In my opening statements I made it abundantly clear what the national objectives were. I am not prepared to repeat them now.

On the question of the manufacturing sector, Senator Mottley indicated that the Prime Minister did not recognise it as an engine of growth because he did not identify it when he named other areas such as tourism, construction and the offshore sector. I want to reassure this Chamber and the country at large that the Prime Minister himself is firmly committed to the manufacturing sector. The Prime Minister has taken responsibility for introducing the single market which deals primarily with the trading of goods within the area.

The Government has already passed legislation giving us authority to ratify the Rules of Origin which will determine what goods will be able to come into Barbados under the CARICOM arrangement to offer competition to our manufacturers in addition to which we have already adopted and implemented the Common External Tariff. These are all designed to aid and support the manufacturing sector. Only a blind man on a trotting horse would fail to realise that these are steps so designed to take care of that.

We tend, unfortunately, to see everything in monetary terms. Every time there is a reduction in money we seem to think, and Senator Barker-Welch touched on this, that quality will suffer. Studies have been carried out where it has been found that efficiency and productivity have improved in certain areas when there was actually a cut. A simple example is in an office with 4 or 5 people when 2 will not have enough work to do, 3 with sufficient work to do, the 2 will talk with the 3, and overall productivity will fall. You get rid of the 2 and the other 3 will produce more. This has been demonstrated.

On the question of the Handicraft Division of the IDC which Senator Mottley raised, she said there was uncertainty in that area. In our opinion there has been too much duplication of effort in work. We have a national training board and the IDC has been undertaking training in the Handicraft sector with its own overhead and being locked in. We feel that it is better to let the National Training Board undertake the training, give them a stipend to do it and thereby reduce the overhead. Once you lock yourself into the overhead you need to provide training in new areas which means hiring new staff. If the old staff no longer is required to do the training you cannot get rid of them. Not that you want to get rid of anybody but I think it is more efficient to go out and say that we will give you x amount of dollars to provide training in a given area as we see it. In this way we become more flexible. We can then react to the growing needs in the society as we perceive them. In addition, we are planning to maintain the sales outlet in order to assist the individuals in selling and marketing their products.
7.05 p.m.

We do not want them to sit down home, make something and then walk the streets trying to sell them. We will take them over and sell them for them. Purchasing in some cases, depending on the quality might be on consignment et cetera. But we will provide the sales outlets for the handicraft workers.

Education. Senator Mottley said that education was reduced, especially the maintenance to primary schools. This is to be expected on two grounds primarily: (1) there are fewer primary schools than there were and (2) there are newer schools. We are in the process of amalgamating existing schools and this point was also made in the presentation when I introduced the Education Head.

Tourism, yes, there has been a cut in tourism and again I pointed out that there is a programme now well under way where this Government is consolidating the overseas offices IDC, EPC and Tourism will come together within the Ministry of Foreign Affairs and have one office thereby cutting down the overheads and all the telephones and all those other costs. It means that services will still be offered but at reduced cost. Just like consolidating and reducing overheads. Anybody who has been in the manufacturing sector clearly understands what it means to reduce unit cost *vis-a-vis* the overhead cost.

The offshore sector. It is rather strange that Senator Mottley was prepared to criticize us for the fall off in the manufacturing sector and blamed it on the Government. But the Government does not manufacture anything. But on the other hand when we observe that there has been an upturn and a continuing improvement in the offshore sector she was prepared to say, that does not have anything to do with Government. She has got to make up her mind if she is going to criticize us for not getting the manufacturing sector to do more. Of course she has to give us praise and credit for getting the offshore sector to perform better, especially the foreign sales corporations. I said in the introduction that at that point in time we also have new legislation coming to Parliament within the next month or so to make the sector even more competitive.

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

The question was put to the Senate and agreed to.

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

Mr. DEPUTY PRESIDENT: I should like to thank all of those Senators who took part in debate on this Appropriation Bill, especially for the manner in which it was debated for the most part.

RESOLUTION TO APPROVE THE BORROWING BY THE GOVERNMENT A SUM NOT EXCEEDING US$7 000 000 FROM CROWN AGENTS SERVICES LIMITED

Order No. 2 was called – To move the passing of a Resolution to approve the borrowing by Government of a sum not exceeding US$7 000 000 for use by various End-User Departments specified in Appendix II of the draft Third Supply and Finance Agreement between the Government of Barbados and the Crown Agents Services Ltd.

Mr. DEPUTY PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. Deputy President, this Agreement that we are about to enter into is the third such agreement between the Government of Barbados and the Crown Agents. The main purpose of this really is to reduce the need for cash while, at the same time, cash meaning foreign exchange in this particular case and without the loss of supplying the various departments in capital goods because there is no particular point in having manpower on stream and not having the necessary materials and equipment with which to work.

Some of the equipment that will be purchased under this agreement, over time, consists of vehicles for the Defence Force, plant, equipment and furniture, also fire fighting equipment for the Defence Force. The Government Information Service will receive technical equipment. The Printing Department will upgrade its printing press and laminating machines, the Ministry of Justice, the Fire Department a trailer pump, Police will get vehicles, et cetera. This is the type of equipment that we are seeking to procure from this arrangement.

As I said earlier we entered into 2 before, the rate of interest, accrued interest for funds drawn down shall be payable at 6 monthly intervals commencing 6 months after the appropriate shipment. The rate will be at 1.625% above LIBOR. That is the London Inter-Bank Offered Rate.

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

The question was put to the Senate and agreed to.

RESOLUTION TO APPROVE THE VESTING IN MILDRED HOLDER OF LAND AT MOUNT FRIENDSHIP, ST. MICHAEL

Order No. 4 was called – To move the passing of a Resolution to approve the vesting in Mildred Holder of land situate at Mount Friendship in the parish of St. Michael in this island.

Mr. DEPUTY PRESIDENT: Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, this Resolution which seeks to vest land in a Mildred Holder is a consequence of the Government's acquisition of land for the construction of the Highway which was known as the St. Barnabas Highway now known as – part of the Barrow stretch of – the Adams, Barrow, Cummins Highway.

In its acquisition of these lands Government used a portion of land owned by Mrs. Holder and did not require the balance of land which it had acquired from her. In addition there was an adjoining strip of land to hers which had been acquired because of the construction of the highway and the abandonment of a household. There was an area of land which was not required by Government which was equal to that in fact used by Government for the construction of the Highway. Instead of paying Mrs. Holder for her land that was used, it was decided to give her lands adjoining her existing land in exchange. So the upshot of it all now is that she has the same area of land with a different location situation, the Government having acquired lands does not have to pay her any money. The arrangement is acceptable to her and this Resolution seeks to vest back to her the total area of land that she had originally agreed to dispose of to the Crown in its right of Government. I beg to move that this Resolution do now pass.

7.15 p.m.

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

ADJOURNMENT

SENATOR THE HON. L. V. H. LEWIS: I would like, Mr. Deputy President, just to thank the staff of Parliament for their forbearance during these two lengthy days of debate and also to thank Honourable Senators on both sides for having persisted and persevered. One Senator on this side had to leave because of a Bar Association dinner and I believe that another Senator on that side was taken away for the same purpose. I now therefore move that this sitting be adjourned *sine die.*

The question was put to the Senate and agreed to and Mr. DEPUTY PRESIDENT adjourned the Senate accordingly.

7.20 p.m.

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