
THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1991 - 96

SENATE

Friday, August 27, 1993

The Senate met in the Senate Chamber, Parliament Buildings, on Friday, August 27, 1993, at 10 a.m.

PRESENT

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

Senator J. J. PAYNE (Deputy President)

Senator the Honourable L. V. H. LEWIS, G.C.M.
(Minister of State, Prime Minister's Office) (Leader of the Senate)

Senator A. MORRISON

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

Senator A. J. N. PHILLIPS

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

Senator Dr. F. W. ALLEYNE

Senator Miss Y. V. WALKES

Senator Mrs. M. BARKER-WELCH

Senator Dr. E. A. SIMMONS

Senator Mrs. A. STRAUGHN, G.C.M.

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

Senator W. LeR. INNISS

Senator T. E. BARKER

Senator Miss M. A. MOTTLEY

Senator T. C. BECKLES.

Prayers were led by Rev. Fr. Errington Massiah.

Mr. PRESIDENT: The Senate is in session.

ANNOUNCEMENTS BY HIS HONOUR THE PRESIDENT

Mr. PRESIDENT: I have received a report from a Joint Select Committee of the Senate and the House of Assembly of a Films Bill, 1992.

PRESENTATION OF PAPERS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I am commanded to lay the Protocol for Implementation of Prices and Incomes Policy and the Annual Report and Financial Statements of the National Petroleum Corporation for the financial year ended March 31, 1992.

REPORTS FROM SELECT COMMITTEES

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move the adoption of the Report to the Joint Select Committee of both Houses of Parliament on the Films Bills.

The question was put and agreed to.

QUESTIONS TO MINISTERS

SENATOR THE HON. L. V. H. LEWIS: On the matter of questions to Ministers there is one question remaining on the Order Paper. All I would like to do is to inform the Honourable the Senate that the response to that question will be available at the next sitting of the Senate. The question was asked in December of 1992 and the reply came into our hands on August 26, 1993.

Mr. PRESIDENT: Thank you, Senator Lewis.

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

SENATOR THE HON. L. V. H. LEWIS: I beg to move the suspension of Standing Order 45(2) to enable the Honourable the Senate to deal with all the matters on the Order Paper of which previous notice has been given.

The question was put and agreed to.

INTRODUCTION OF BILLS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move the First Reading of a Bill to grant an additional sum out of the Consolidated Fund and to appropriate that sum for the service of Barbados for the year ending 31st March, 1994.

I also beg to move the First Reading of:

National Productivity Board Bill;

Bill to Amend the Consumption Tax Act;

Bill to Amend the Local Loans Act;

Bill to Provide for the Regulation Distribution; and

Censorship of Films and Matters Related Thereto.

The question was put and agreed to.

PUBLIC BUSINESS

ORDER NO. 1 – TO MOVE THE SECOND READING OF THE BARBADOS AGRICULTURAL DEVELOPMENT AND MARKETING CORPORATION BILL, 1993

SENATOR THE HON. L. V. H. LEWIS: Mr. President, this Bill relates to a policy decision of Government to amalgamate the operations of the Barbados Agricultural Development Corporation and the Barbados Marketing Corporation in order that the Ministry of Agriculture through this joint agency may more effectively influence and direct the course of agricultural activities in this country, paying specific emphasis to the export potential of agriculture and the other relevant aspects of agricultural development which have an important role to play in this Government's thrust to turn the economy in a direction for sustainable growth.

Mr. President, over the years, the Government of Barbados has found it imperative to establish public enterprises in order to cope with the various demands of its publics and to carry out its activities in a manner that is not hindered through the excessive red tape of Governmental bureaucratic activities.

These institutions have been established not only to execute certain aspects of governmental policy but more critically to implement and manage programmes which the private sector in some circumstances might undertake but which, in the special circumstances of Barbados, the private sector has not chipped in and, indeed, has not always

fulfilled the role that is expected of it. So these institutions have been created, often to fill a void, and in that process, have assisted Government in the implementation of its policy and have often acted as a catalyst for development.

As instruments of Government policy, these enterprises have been provided with a relative degree of autonomy and are not hindered in the exercise of their functions by the rules, regulations and procedures, but through boards – Mr. President, I think I need to emphasise this – that are policy boards, and not boards that are supposed to interfere with the day-to-day operations of these agencies. I think that I should repeat that for emphasis in case the mark is missed. These boards, Mr. President, are policy boards and they have a responsibility to liaise with the Minister and Ministry, to carry out the policy initiatives of Government and to assist Government in the formulation of those policies.

10.30 a.m.

They are not operational boards that have any say in the day to day operations of these organizations. In public enterprises the day-to-day leadership and direction of the activities as in the case of this Bill are entrusted in a Chief Executive and staff and the powers of the corporation in the Bill are properly circumscribed. The functions of the Corporation in this instance, Mr. President, are clearly set out at Clause 4 of the Bill. These include:

To facilitate Government's policy with respect to rural development and land reform.

To manage on a commercial basis certain plantations and agricultural lands.

To foster co-operation in agricultural development between the public and private sectors.

To assist farmers in securing arrangements for the purchase, handling, transportation, exportation, shipping, marketing and sale of produce.

To promote the development of agricultural co-operative societies, among other things.

To assist farmers in securing more favourable arrangements for the storage and sale of produce both locally and overseas.

The powers of the Corporation are set out at clause 10 of the Bill and these are the operations which relate to the day-to-day functioning of the Corporation for which a Chief Executive has responsibility.

This particular piece of legislation, Sir, is modelled to some extent after more recent legislation such as the one

establishing the Tourism Authority and the Industrial and Development Corporation both of which came into operation earlier this year, as a result of either restructuring or as a result of merger of organizations.

The former ADC, Mr. President, was created by an Act of Parliament in 1965. The BMC which came into existence some two years earlier in 1963 was created for the purpose of stimulating, facilitating and improving production. Those original aims and the mission of these 2 organizations now blended I believe make for more cohesive delivery of the services of the agricultural sector as far as Government is concerned.

Mr. President, it is recognized that with the fickle state of tourism and certain other areas of economic activity in this country that a great responsibility lies on the Ministry of Agriculture. First and foremost it must provide the food and nutrition for its population. It needs to do this efficiently and it needs to ensure the orderly growth of other sectors. In addition, agriculture must, of necessity, provide for producing exports to increase export earnings and to increase foreign exchange earnings. In all these respects I believe that in creating this joint organization the Government is providing a vehicle which will ensure that the fundamental issues relating to enhancement of the role of agriculture in Barbados is achieved.

I believe, Mr. President, that against this background and against the background of the increasing uncertainty with regard to sugar production in this country that the new Corporation will have an opportunity to carve the specific role in non-sugar agriculture to facilitate the delivery of Government's programme through increasing productivity, through improved marketing and through other projects which will encourage greater participation by the citizens of this country in the area of agriculture.

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

Mr. PRESIDENT: Senator Barker.

SENATOR T. E. BARKER: Mr. President, this Bill comes about as a direct result of the IMF Agreement where a policy decision was made by the IMF to merge certain corporations in Barbados.

Mr. PRESIDENT: Senator Lewis is on a point of order.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, on a point of order, whenever in the Honourable Senate I hear persons making statements which I know to be patently untrue I am constrained to try to assist. I will try to assist the Senator by explaining that no IMF decision

was taken in relation to this merger. This merger was a recommendation of the Ministry of Agriculture when I was the Minister. It was adopted by the Prime Minister and it was included in the decision of Cabinet, as communicated to the IMF. It was not a request of the IMF. Indeed the IMF were not interested in this aspect of the matter.

Mr. PRESIDENT: Thank you.

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

SENATOR T. E. BARKER: Sir, the document which all of us got, had as one of the conditions for Barbados obtaining the loan the merger of certain institutions in Barbados. That, Sir, is a matter of record. That is not hearsay. That is a matter of record that this merger was part of the IMF document. I would stand by that. No amount of protestation will move me from that fundamental point that this is IMF inspired. It come...

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I do not believe that the Honourable Senator can insist in inferring that the Honourable Minister is misleading the Chamber because the 2 statements are not equal. One cannot be true.

Mr. PRESIDENT: Thank you very much Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: He is inferring that the Honourable Minister is misleading the Senate. I would ask that the statement be withdrawn.

Mr. PRESIDENT: Thank you very much, Senator Clarke. Senator Barker you have heard very clearly the statement made by Senator Lewis and therefore I think that you will not persist with that. In fact I instruct that you will not persist to make that statement.

SENATOR T. E. BARKER: Sir, which statement?

Mr. PRESIDENT: The last statement which you just made.

SENATOR T. E. BARKER: I would not be put off, Sir. I have things to say and I would say them so long as I do not go against the Rules of this Chamber.

This is an IMF inspired merger and it comes at a time when output in agriculture, as a direct result of Government's policy is at its lowest since 1975. That is stated in the Economic Report which was laid by

the Minister of Finance to the legislation in March of this year that real output in the agricultural sector is way below what it was in 1975. Because in 1975 the contribution of agriculture to real GDP was \$66.2 million in 1974 prices. And in 1992 as a direct result of Government's inactivity and wholesale destruction of the agricultural sector this declined to \$61.4 million and that, Sir, is a national scandal and an indictment on the Ministers of Agriculture we had since 1986.

10.40 a.m.

I note, Sir, that the Honourable Leader of this Senate was a Cabinet Minister in the Ministry of Agriculture for a great amount of this time. From 1990 until 1992 the Honourable Leader of this Senate was a Cabinet Minister. For that period, the Honourable Leader of this House was positioned in Graeme Hall and as a result of his sojourn there we have the destruction of agriculture. Sir, I am not surprised that he defended the IMF because his record in agriculture is a shame.

Sir, what are we having here today? We are having the merger of two Government organisations, the Agricultural Development Corporation and the Barbados Marketing Corporation. Sir, the BADC was established in 1965 and the BMC was established two years earlier, 1963. Sir, for the past 30 years or so these two organisations have been at the cross roads of agricultural activities in this island. Sir, there have been some successes in agriculture because up to about 1986 agriculture was doing all right because by then the real output in agriculture in 1986 was \$78.8 million. Sir, the party which I represent has to take a lot of credit for that because the sugar crop was reaped before the Government changed and the cotton crop was reaped before the change of Government in 1986 so we are going to take credit for the increased activity in agriculture especially between 1976 and 1986. In 1987, the first year of the new DLP administration, when output declined from \$78.8 to \$70.0 million in one year, where sugar alone declined from \$47.1 to \$35.4 million that is the contribution to real GDP.

Sir, all the time there were increases in agriculture these two organisations were at the forefront of agricultural activity. Now we have a situation, Sir, where since 1986 when as a result of the policy of the Government these two organisations lost their way and we have agriculture as a consequence declining year after year and now it is only contributing \$61.4 million to real GDP.

Sir, the point I want to raise is if when they were separate organisations they were woefully managed and inefficiently run what is there to suggest that when you merge them into a larger organisation that there is going to be any improvement in their efficiency because if the BMC could not manage when it was by itself, if the ADC was in

a mess when it was by itself now what is there to suggest that the new corporation will fare any better, especially, Sir, when I have not heard that there is any radical restructuring? All I am hearing is that 14 people at the BMC are going home and this does not include the Food Promotion Officer, but 14 people from that organisation are rumoured to be going home. I have not heard yet what is going to happen to the staffers at the ADC.

Sir, in the context of record high levels of unemployment one wonders why Government is going ahead with a scheme which would send more people into the ranks of the unemployed. But, Sir, this Government moves in mysterious ways and it does not perform any wonders.

Sir, I want to make a fundamental point, that is, in doing my research to discuss this Bill I was hampered because I could not find any audited reports for either the ADC or the BMC since 1989. Sir, I want to take the liberty of reading section 19(1) of the Act which established the BADC - CAP. 254 of the Laws of Barbados.

Section 19(1) The Corporation shall as soon as possible after the expiration of each financial year and in any event not later than the thirtieth day of June in any year submit to the Minister a report containing -

- (a) an account of its transactions throughout the preceding year in such detail as the Minister may direct; and
- (b) a statement of the accounts of the Corporation audited in accordance with section 18.

Section 19(2) says: "A copy of the said report together with a copy of the auditor's report shall be laid on the table of both Houses."

That, Sir, is section 19 of the Act which established the BADC in 1965.

And, Sir, the Barbados Marketing Corporation, I think it is section 18 of their Act while it did not mention the fact that it had to begin by June of the year said that as soon as possible after the expiry of the Financial Year the Barbados Marketing Corporation has to submit to the Minister both an account of the transaction as well as an audited statement.

So both Corporations are mandated by law, not by precedent, to lay audited accounts to the Minister. So they are commanded to give account to the Minister who then has, under the Act, to lay these in both Houses of Parliament. And, Sir, June 1990 is gone and the Leader of the Senate was a Minister in the Ministry of Agriculture, it was his responsibility, Sir, to lay the audited reports

in both Houses of Parliament but he was up in Graeme Hall, Sir, and June 1993 has gone.
10.50 a.m.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I ask that the statements relating to the Minister not doing something be withdrawn. If the Honourable Senator wishes to say that the Corporations have failed to do something, that is another matter, but to impute that the Minister has reports that he has not laid is another matter. The rest of it I will deal with when I reply.

Mr. PRESIDENT: Senator Barker, you will withdraw the statement. . .

SENATOR T. E. BARKER: What statement, Sir?

Mr. PRESIDENT:.... referring to the Minister.

SENATOR T. E. BARKER: Sir, I will say that the Minister....

Mr. PRESIDENT: You will withdraw the statement referring to the Minister.

SENATOR T. E. BARKER: Sir, can I have a verbatim report of what I said so that I....

Mr. PRESIDENT: No, you will not. You will withdraw the statement which you made pertaining to the Minister.

SENATOR T. E. BARKER: Sir, I did not make any statement imputing any improper motives to any Minister.

Mr. PRESIDENT: I am not having a verbal battle with you, Senator Barker....

SENATOR T. E. BARKER: Me neither.

Mr. PRESIDENT: I am simply telling you that you will withdraw the statement made with respect to the Minister.

SENATOR T. E. BARKER: Sir, I have not made any statement

Mr. PRESIDENT: Just a minute, Senator Barker. If you wish, however, quite rightly, as the Minister said, to state that the Ministry had not yet submitted a statement, that is very different from stating that the Minister had not done so, but you will withdraw that statement. Yes, Senator Payne?

SENATOR J. J. PAYNE: Mr. President, I think I should quote the rule for the benefit

SENATOR T. E. BARKER: You are not President yet, you know.

SENATOR J. J. PAYNE: of the Honourable Member. If you look at Order 34, rule (8) – the one I referred to originally was Order 34, rule (3) – but rule (8) says as follows:

"The conduct of the Governor-General or Officer administering the Government, Members of either House, Judges of the Supreme Court of Judicature shall not be raised except upon a substantive motion moved for that purpose."

I think it is clear that the Honourable Member is making reference to the conduct of a Member of this Chamber.

Mr. PRESIDENT: Thank you. Senator Barker, you will therefore withdraw the statement which you made with reference to the Minister.

SENATOR T. E. BARKER: Sir, I will gladly withdraw but I do not know what I am supposed to withdraw.

Mr. PRESIDENT: Well, you will find it possible to make the withdrawal.

SENATOR T. E. BARKER: Withdraw what, Sir? With all due respect, what am I to withdraw?

Mr. PRESIDENT: I said the statement which you made with respect to the Minister. Are you telling me that you are speaking and you do not know what you are saying?

SENATOR T. E. BARKER: I am not telling you anything. All I am telling you is that I have not made any statement which in any way reflects on the conduct of the Minister.

Mr. PRESIDENT: Do you not know what you are saying, Senator Barker?

SENATOR T. E. BARKER: I know what I am saying. I am in control of what I am saying.

Mr. PRESIDENT: If you do, then you will withdraw the statement.

SENATOR T. E. BARKER: I do not know what to withdraw, because I have not made any statement which reflects on the character of the Minister. I will not allow the other side to deflect me from the important issue by their reference to rules and regulations.

Mr. PRESIDENT: Senator Barker, you will withdraw the statement which you made with respect to the Minister before you may proceed.

SENATOR T. E. BARKER: Sir, with all due respect, I have made no statement which contravenes the rules of this Chamber with regard to the conduct of the Minister. If we get a transcript of what I have said, then I will withdraw any portion which is offensive, but I did not make any statement which was offensive and I do not know what I am to withdraw. That is all I am saying.

Mr. PRESIDENT: Do you wish to continue?

SENATOR T. E. BARKER: Sir, I am waiting on a ruling, because I do not know what I am to withdraw.

Mr. PRESIDENT: My ruling is very clear, that you will withdraw the statement which you made with respect to the Minister.

SENATOR T. E. BARKER: What statement?

Mr. PRESIDENT: It is not for me to tell you. You must know what you have said.

SENATOR T. E. BARKER: Let me put it another way. I will not allow you to deflect me from this important point. The point is that the Minister is responsible for the BADC and if accounts were not

SENATOR THE HON. L. V. H. LEWIS: Mr. President, unless the Honourable Member withdraws – and I am prepared to adjourn the Senate and let him get his house in order....

SENATOR T. E. BARKER: You have to get your house in order, not me. My house is in order, man, yours is not in order.

SENATOR THE HON. L. V. H. LEWIS: The statement to which I take objection is that "he got up there in Graeme Hall and did not do something." That is what I object to.

SENATOR T. E. BARKER: Sir, I can withdraw that and state that

SENATOR THE HON. L. V. H. LEWIS: And all the other imputations.

SENATOR T. E. BARKER: All the other imputations, what? You cannot tell me

Mr. PRESIDENT: Senator Barker, I will not have that sort of language and behaviour.

SENATOR T. E. BARKER: What kind of talk....

Mr. PRESIDENT: Senator Barker, I will not have that. There are so many others who debate without speaking in that manner. You have heard exactly what has been objected to and you understand now what you are supposed to withdraw.

SENATOR T. E. BARKER: The point I want to make is that he as Minister was responsible for the BADC and if accounts were not submitted to Parliament, as required by the Act, he has to take responsibility, not me or any officer. He is mandated by law, by the Constitution, to be responsible for those organisations that fall under his control.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, the Honourable Member has not yet withdrawn the statement.

Mr. PRESIDENT: Senator Barker, we are still waiting on you.

SENATOR T. E. BARKER: Sir, I will withdraw the statement that "he sat down in Graeme Hall and did nothing" and I will substitute that he did not fulfill his constitutional mandate to ensure that accounts of the BADC were submitted to Parliament in a timely fashion, in accordance with the law, Cap. 254, Sections 19(1) and (2). That is what I will say. Object to that now.

In like fashion, Sir, the Barbados Marketing Corporation must also come under the hammer, because since 1989 they too, under the same Ministry, I should note, have failed to submit to Parliament audited statements, and I think it is up to us in this Chamber....

Mr. PRESIDENT: Before we proceed, Senator Barker, in any event, I shall rule that what you said with respect to the Minister be expunged from the records. Now you may proceed.

SENATOR T. E. BARKER: Sir, what statement is that that was expunged? I just want to know so I can substitute and get my feelings on record.

Mr. PRESIDENT: It is now for you to continue.

SENATOR T. E. BARKER: Sir, you cannot just withdraw a statement and I do not know what you are withdrawing.

Mr. PRESIDENT: I told you, you must know what you said, surely! I do not expect that you are speaking without knowing what you are saying.

SENATOR T. E. BARKER: In here is trying my patience.

Mr. PRESIDENT: You may proceed.

SENATOR T. E. BARKER: Sir, I believe that the law should be respected and it is the duty of Government to set the example. The same way the police, quite rightly, come down hard on offenders who break the laws of Barbados, the Government should be censured in the same way when they fail to comply with the laws of Barbados. No amount of protests will deflect me from pointing out to Government when they are acting contrary to the law which they have sworn to uphold.

Sir, I mentioned the audited accounts of BADC, not by chance, but because in the Other Place the Minister of State in the Ministry of Finance and Economic Affairs, as he is now, stated that the BADC was indebted to the Barbados National Bank to the tune of \$22 million. That is a matter of record. That was said in the Other Place, that \$22 million was the indebtedness of the BADC to the Barbados National Bank. I checked and I found that in 1986 the debt by the BADC to the same institution was around \$3 million. That means that within the short space of 7 years this corporation has managed to multiply the debt over 7 times. That is why I want to see the audited statements, because I want to know why it is that this corporation, which only had debts of \$3 million in 1986 now has debts of \$22 million. I am hampered because I do not have at my disposal, as mandated by the law, audited accounts of the corporation.

I can understand why the Minister wants me to withdraw certain statements, because I am at a loss to understand where the money has gone. The Minister instead of trying to berate me, could help me in my quest for truth by giving us the audited reports so that we know that everything in the BADC is above board. In the absence of audited accounts for the past 4 years, and in light of the fact that the debt is increasing to such a tremendously high amount, I am at a loss. While we cannot impute improper motives, one wonders about the relationship between the increase in debt and the absence of audited statements of the corporation. That is why I feel that to disquiet my fears the Minister should by tomorrow – and by tomorrow I mean at the next earliest opportunity – lay in Parliament copies of the reports for 1989-90; 1990-91; 1991-92 and 1992-93 – those 4 reports. Then Sir, I would be satisfied that everything that is done at the ADC is done in accordance with the law and established good practices. Until that is done, Sir, I am afraid I am in a quandary.
11.00 a.m.

Sir, I want to believe the best about human nature but at the same time I also want an explanation of the massive increase of the BADC's debt. I am sure, Sir, you will agree with me that it is a reasonable request. I am a reasonable

man and in spite of the fact that people on the other side want to take advantage of my reasonableness. I just want information.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir, I have been following the debate of the Honourable Senator, but I don't know who is "people on the other side". I have been trying to find out who they are.

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

SENATOR T. E. BARKER: Sir, we want full disclosure and I am calling for a public enquiry in relation to the operations and the financing of the BADC. I note, Sir, that the other Chamber has a Public Accounts Committee which, only fortunately, in spite of the fact that the St. Joseph Hospital Board has not yet sent in a report just like the ones I mentioned before, it was able to get at the accounts by virtue of the fact that the Ministry of Health was the one that disbursed the funds. There is no such provision here so we have to have these reports so that the Public Accounts Committee in the Other Place can determine whether or not there is a need for an enquiry into the affairs of the BADC.

Accountability is the cornerstone of democracy. Without it, democracy must flounder. If it is one thing that I am going to be hard on this Democratic Labour Party Government for is its lack of accountability. They can quote the rules from now to tomorrow, but when I see foolishness going on I will talk. They can deal with me how they want to; but I don't care. I am here and I make certain promises to the people of Barbados and I will keep them.

Mr. PRESIDENT: All right. Proceed.

SENATOR T. E. BARKER: I will not rest until affairs of the BADC are where they should be in the public domain because it is a public company and the debt that is owed to the National Bank is going to be paid for out of public funds. So the accounts must be in the public domain. I am calling upon the relevant Ministers... I notice that the Honourable Leader of the Senate now has a portfolio so he might have less time, but he can use his good offices to ensure that the reports are laid in Parliament as soon as it comes back.

Sir, I now move to specific aspects of the Bill which enumerate the functions of the corporation. It is just a marrying of the functions of the 2 corporations which were merged to give birth to this one. The second function says that the function of the corporation is to facilitate Government's policy with respect to rural development and land reform. That is section 4 of the Bill under consideration.

Sir, all of us know that in order for the corporation to facilitate Government's policy there must be a government policy in the first place. The point I want to make is that there is no policy on either rural development or land reform. How can the corporation be expected to facilitate policies when there is no policy? These are 2 areas which we must pay some attention to if we are going to see any great improvement in agricultural output, that is, the area of rural development and land reform.

Sir, a couple of years ago, in this Chamber, we had a Bill which gave the Minister certain powers with respect to the Scotland District and I made the point in my little way that the Minister has powers so he should now act. He said before that he did not have any powers and he has the powers now and he should now act but what do we find? Two years have passed and the conditions in the Scotland District are worst than when the Minister did not have powers. In short, Sir, we gave him powers and the situation got worse. I find that almost a contradiction.

I note, Sir, that according to the schedule of this Bill that the Government is a big landowner in the Scotland District through the BADC. We see in the Schedule to the Bill in terms of the land vested in the corporation. I see land at Haggatts, 677 acres, 352 acres in Greenland, 235 acres in Overhill – I never heard of that place before up until now – 173 acres in a place called The River in the same parish of St. Andrew and 323 acres at Bawdens and 8 acres at Bruce Vale. So the Government is a big land owner in the Scotland District.

One would tend to believe as a result of this that they would be the ones at the forefront of activity in that area but these estates are among the worst run estates on the Island. Only this week I happened to pass by Haggatts and I saw the state of the orchard in Haggatts; an orchard which has the potential to fulfil all of our needs in things like cherry pulp and so on. When I saw the neglect that is so evident at Haggatts it made me wonder. Sir, we gave the Minister more powers with regard to the Scotland District and what do we see – by more powers, less responsibility. That seems to be the equation which pertains to the other side.

Sir, I remember a few years ago I happened to have gone down Bawdens and I had a look at the soursop project that the Ministry of Agriculture had initiated in Bawdens. Sir, there was a wonderful scene. The hills were drained and the water collected into an artificial lake and using a pump the water was then through pipes given to the soursop trees. Sir, when I happened to have examined this project in detail I noticed that the soursop trees were showing obvious signs of lack of water. When I checked, the water was in the pond, the pump was working but the pipes which transfer the water from the pond to the roots of the trees had over the years disintegrated and

deteriorated. But, Sir, do you know what I found on checking? They had replacement pipe in the shed. The replacement pipe was there, the water was there, the pipe was working and it would have taken a day or two to repair the irrigation lines. But it was not done and the soursop trees which could be a very lucrative export crop and also is sought after locally were suffering. That, Sir, is indicative of the neglect on ADC estates. The Minister must take responsibility because the buck stops there.
11.10 a.m.

Under our system of Government the Minister had to take responsibility for what goes on in his Ministry because the Minister chooses Chairmen of these Boards, does he not, under our Constitution? If he does not choose efficient Chairmen, if he only chooses people because of affiliations and they do not do the work the Minister then must take ultimate responsibility. He cannot evade his responsibility because he made the appointment in the first place. He must make sure that he appoints competent people at the BADC and the BMC in order that the functions as given in the Act be carried out efficiently and effectively.

In rural development Government must be at the forefront and I have said here, on many occasions, that the Scotland District represents a lot of economic potential. There is some energy down there, there is some gas down there and there is the potential for fish farming. I note, Sir, that this new Corporation also has responsibility with regards to fish because the word "produce" as given in the interpretation refers not only to fish, fruit and vegetables, it says meat and fish in all forms.

I am saying that the BADC and, by extension, this new Corporation, if this Bill passes – I hope it does not pass – has a mandate to facilitate Government's policy with respect to rural development. Therefore I can contend that if nothing is done with the rural development it is not because of the Corporation but rather because Government has no policy in the area of rural development. We must ensure that the 20% or so of land that we have in the Scotland District reaches its full potential.

The issue of land reform. That is one area where there has been some neglect especially by this Government. Much has been said about the Springhall Land Lease Project. No one, in my view, has criticized the concept. But what has happened is that I have heard criticism in relation to the size of the holdings. That is a difficulty which can be corrected. It means that if we ever go into the same type of project we would learn from our mistakes if there were any at Springhall and know that in future we have to be very careful in determining the size of the holdings.

In the years that this DLP has been in power we have seen them do nothing in this important area of land

reform. If we want to maximize our potential in agriculture we ought to look again at the land ownership problem in agriculture. It is something that must occupy our attention. It is not for the BADC but for the Government to have a policy.

One area that they can look at is probably the land that they have because Government, as I said, is probably the biggest single land owner in the country. If it is not it is one of the biggest land owners because not only do they own the plantations that I mentioned before but they own the Belle Plantation, River, Spencers, Dodds, Fairy Valley and maybe a couple more in St. Philip.

A policy of land reform then could be initiated especially in an area like the Belle. Because you would agree with me that the Belle has turned out to be one of the biggest fiascos that this Government which is noted for fiascos has managed to go into because all of us who drive across there can see....

Mr. PRESIDENT: Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, it is a very painful thing to have to listen to the Honourable Member making loose comments without being specific. Anybody or anything could be described as a fiasco. A Government of fiascos. Then all the Governments are fiascos from time immemorial?

Aside.

SENATOR THE HON. L. V. H. LEWIS: That I object to your referring to this Government as a Government of fiascos. That is what I am objecting to.

SENATOR T. E. BARKER: Sir, I take back the word fiasco and say the Government of misconceived projects and ill-conceived ideas. If that suits the Minister, I have no problem. But the Belle is a fiasco.

I want to share with the Chamber something I learnt about the Belle. Apparently, Sir, the problem with the Belle when it went into sugar cultivation a few years back, maybe 4, 5 years back was that they expected to run a sugar plantation like how the traditional Civil Service is run. I spoke to someone in authority up there and their contention was that, look very often we want fertilizers for the sugar cane but because of bureaucratic inefficiency, because the people up there did not recognize that when the cane needs fertilizing you must have fertilizer within a week or within a few days for it to be effective sometimes he had to wait a month or weeks for the fertilizer. By the time it was applied it was of little use to the cane plants.

I just say this to reinforce my view that sugar cultivation, any cultivation is not really a thing for Governments or for the state. Experience has shown in many countries that you get better yields and better returns when agricultural activity is in the hands of private concerns. That is why the whole concept of land reform is so important.

I believe that we should find a scheme where people who want to get involved in farming can be leased a certain amount of land to be used for that activity. They are responsible for all the activity that goes on there. All that would happen is that they would pay to the state a negotiating fee. That is probably the way to go. The Springhall Land Lease Project was the start of what should have been a programme right through the island especially on ADC lands. Springhall should be the model of land reform activity within this island of ours. As I said before we can learn from any mistakes which we have made pertaining to that Project. As we develop other schemes and other projects we know exactly how to proceed. What would happen is that it would substantially reduce the debts of the BADC which, as I said before are staggering. I am sure that a lot of the debt was as a result of the fiasco in the Belle. I am sure that cost the BADC quite a few million, along with River and those places.

Another difficulty, I am told that the Springhall Land Lease farmers had...

Mr. PRESIDENT: You speak so quickly. I do not understand what you are saying.

SENATOR T. E. BARKER: Another difficulty.

Mr. PRESIDENT: No, no. Not that. You said it has gone down the River and some places?

SENATOR T. E. BARKER: No, Sir. I meant River Plantation.

Mr. PRESIDENT: Speak a little more slowly. I was just at a loss to understand what you are saying. Go on.

SENATOR T. E. BARKER: I understand, Sir. Another difficulty that the farmers had down there related to the availability and the cost of water. It is only this week that I saw a disturbing headline about our water resources. Because if we are to develop agriculture, if we are going to reap the maximum benefits from agricultural activity we have to look again at our water resources. I said in here that it does not make sense to me to have millions of gallons of water every day flowing into the sea from the Bridgetown Sewerage Scheme. I feel that that is a waste, especially given the present state of our water resources. The South Coast Project Scheme is about to start soon. Sir, I am not told there is any scheme whereby the water

from that scheme is going to be recycled, not necessarily for drinking but rather for irrigation purposes. So, given the fact that we could, in the next 10 years or so, be experiencing difficulty with regard to our water resources, Government must examine the feasibility of using the water, both from the Bridgetown Scheme as well as the proposed South Coast and West Coast Scheme maybe for irrigation purposes. Sir, there is no reason why the golf courses cannot be using recycled water. The proposed Kingsland Golf Course is not far from the outfall of the south coast scheme so they should be made to use that water.

11.20 a.m.

In other countries, as we all know, the water from the sewerage system is recycled and some of it is even turned into drinking water. The technology is there and we cannot afford in this country to be wasting that water in the way that we are. So I think Government has to look again at that project and I am calling on Government, not to mind the cost because the same way you can find money to build the St. Thomas School and Sherbourne and other places you can find money to undertake this project which is obviously going to be of great benefit to agricultural activity in the island.

So, as the BADC fulfills its mandate it has to look again at our water resources because the alternative, that is, desalination is far too expensive in my view for a country like ours. It is something that we have to avoid. That is why, Sir, I feel that we cannot have that water which runs off in the East Coast after heavy rainfall in that area flowing into the sea. This Government does not think. They must examine the feasibility of these schemes because without it, in the next 20 years, we are going to be in a lot of trouble. This Government is reactive not proactive and the BADC cannot stimulate production and so on unless it has irrigation water especially as they move more and more into non sugar agriculture. That is a must.

Sir, I know my time is going fast so I must move on to the marketing aspect of agriculture because it is okay to produce but unless the marketing arm is efficiently run and is creative in its approach to marketing well then all the production would be in vain. And, Sir, the Barbados Marketing Corporation has been a singular failure when it comes to marketing agricultural produce in the island.

I am told, Sir, that most of the exporting in agricultural commodities is done by private individuals. I do not want to call names, Sir, but a lot of private individuals are involved in the marketing of agricultural produce and the Barbados Marketing Corporation has not given the marketing arm the thrust that they need.

Sir, when friends of mine come from England and I serve them avocado they wonder why it is that they cannot

get avocado of that quality in England. They have to buy the ones probably from Israel or wherever which is of an inferior quality.

Sir, we have high quality fruit here but the BMC instead of driving about in chauffeur driven cars 24 hours a day they need to channel their resources and their time in a productive way to ensure that the work of our farmers as they try to upgrade their production of sweet potatoes and so on... That it would not happen as it did some time before when the farmers produced a lot of sweet potatoes, they were told there was a good export market for them and they produced. The result was, when they were finally produced the bottom fell through and a lot of farmers suffered as a result of that.

Sir, the BMC needs to get its priorities right. They have not been at the forefront of agricultural marketing in the way that they should be. They survive on importing sugar and importing chicken backs but when it comes to the real important matters of assisting farmers in marketing whether inside or outside of Barbados they are woefully inefficient and defective.

My only hope, Sir, is that with the amalgamation of the two agencies we will get chairmen and officers who are willing to do the donkey work to push agricultural activity to the forefront of economic activity in this island.

I am afraid, Sir, that the present crew seem to have outlived their usefulness and it is time, Sir, for a new and dynamic thinking and approach to the whole aspect of marketing. Sir, I have come up in an agricultural community and we always hear the farmers in that district complain about the BMC. They are always seen as a buyer of last resort. If the BMC was operating in the way that it should be this should be the first place that the farmers would go in order to sell their produce but it is always seen in a negative light. I must state here, Sir, that the BMC ... As I have said before I have not seen their reports for a long time and I do not know what the situation is so if I say anything it is ignorance due to the fact that the BMC has not fulfilled their mandate as given by the law so if I speak things that may be wrong it is not my fault, it is their fault for not giving me the information as the Laws of Barbados stipulate that they should. Their profits come from selling sugar, selling onions, importing chicken backs and that sort of thing. I think, Sir, that if that is all they can do they can shut down because then they are serving no purpose. If all they are there for is to import chicken backs and sugar and onions they are not serving any purpose. Anybody can import chicken backs. As our history will show it does not take a person of genius to import. Anybody could import but it takes a bit of creativity to market and that is where, Sir, I hope that the new organisation would put most of its effort, marketing.

Let us sell more because we have hundreds of thousands of people in London, in New York, in Toronto, in Montreal who would be glad for proper tasting sweet potatoes because very often the ones they are forced to buy in these countries are not of the best quality and we grow proper quality stuff here. The BMC has to get up off their proverbial behind and do the things they are mandated to do and do not get involved in a lot of frills and things like that but get involved in the people's business. It is not a supermarket, it is a developmental agency.

Sir, I am going to vote against this legislation and the reason I am going to vote against it is because it is not in the best interest of our people. As I said before, it is an IMF inspired document and I am not certain the IMF understands our culture and our history. I fear that anything coming from them must be examined with a microscope, because they have not proved in their dealings with Barbados and Barbadians that they understand how we operate. They have not proved it. This is another example of their lack of insight into Barbados and they are imposing all sorts of things. Later on, Sir, we are going to discuss the trade reform aspect, and in all of them we see that the IMF does not have a clue as to how Barbados should operate. For that reason I will vote against it because I see nothing in it which will facilitate the expansion of the agricultural sector.

11.30 a.m.

There is an old saying, and very appropriate, that you should not put new wine in old wine skins. I see no new wine skins, I see the old wine skins. You cannot get any new wine, because the old wine skins will break, and that I fear is what will happen. We have the same persons running it, the same Ministers. The same Cabinet that destroyed the ADC and the BMC will in turn destroy the BADMC, and I invite Members of this Chamber to join with me in sending a clear message to the DLP administration that we do not want only form, we want substance.

Mr. PRESIDENT: Senator Barker, you have 2 more minutes.

SENATOR T. E. BARKER: Thank you, Sir. When substance comes, I will support it, but when there is bare form I cannot support it.

One last point. I know that Members on that side will talk about the reports between 1976 and 1986 not being on time. I know they have been doing their research.

Aside.

SENATOR T. E. BARKER: Do not come with that. Do not, as people are wont to, use the past, use history to

justify present illegalities. Do not bring it. We are not interested in what happened then, we are interested in what is happening now, the fact that both agencies are 4 years late, without an excuse, a notice or anything, in sending in their returns as mandated by the laws of Barbados.

Thank you.

SENATOR Dr. E. A. SIMMONS: Mr. President, I rise to support this Bill. Since I have been personally in the line of attack from the last Senator....

SENATOR T. E. BARKER: Excuse me, Sir. On a point of order. I have not attacked Senator Simmons personally, I have attacked him for his record.

Mr. PRESIDENT: You have just said you have not attacked him and then you say you have attacked him. What do you mean? I do not understand what you really mean. I do not know if you understand it either.

SENATOR T. E. BARKER: I understand. I am not surprised that you do not understand, Sir, because at times you never understand anything I say, for obvious reasons. I attacked Senator Simmons relating to his function as Chairman of the BMC, not as a person. I do not know him as a person, I only know him as a Senator and as Chairman of the BMC, so I cannot attack him personally.

Mr. PRESIDENT: Thank you.

SENATOR Dr. E. A. SIMMONS: Mr. President, that is precisely what I was talking about, in my role as Chairman of the BMC. In listening to Senator Barker, it demonstrates how 2 people can look out of a window and look at a tree and one person see the green leaves and the other the bark of the tree. A lot of what Senator Barker has said really is an interpretation looking at it from his jaundiced eye, if you want to put it that way. He has made several comments....

SENATOR T. E. BARKER: On a point of order. The Honourable Member is a physician, but he still has not examined my eyes to say that they are jaundiced.

Mr. PRESIDENT: How elementary!

SENATOR Dr. E. A. SIMMONS: Mr. President, jaundiced not with the stuff coming from the liver, but with the distortion of his political view. Jaundiced in that kind of way. At any rate, it is easy to stand from here and look there to see if the eye is jaundiced. You do not really have to go very much closer.

With that aside, Senator Barker in his address at the beginning started to talk about the Government's destruction of the agricultural sector and the low output, and

that under the Barbados Labour Party there was a greater output in agriculture. I want to remind Senator Barker that the major output of agriculture is in the hands of the private sector and not of the public sector. Whereas one may say that the Government is responsible for the low output, one may also question if there is a low output under a particular Government and a high output under another Government, whether there is not a hidden reason why there is a low output.

Before I go on, he talked about the run off of water on the east coast, that the Government had done nothing about it and that this Government had no plan. I want to remind Senator Barker that in their 1976 Manifesto they promised the people of Barbados that they would have built inland lakes and fish ponds, and for the 10 years they were there, despite the fact that they committed the people of Barbados to these inland lakes and fish ponds, where you would be able to go and pick up the fish and the shrimps in your hands, you did not have to go out fishing. They had a plan, but up to now, after 10 years, I have not seen any inland lakes or fish ponds, so it is not just the idea of having a plan, it is the implementation.

He made some very interesting points about the Barbados Marketing Corporation, to which I must reply. Let me first state that the Minister is not at fault for the non-production of the annual reports. That fault lies squarely at the BMC and as Chairman I take responsibility. We have had problems with the reports and we will not send those reports until we are satisfied that those reports are in order. The Barbados Marketing Corporation takes responsibility for those reports that are late and he cannot lay that at the foot of the Minister. But it is clear that Senator Barker totally misunderstands the role of the Barbados Marketing Corporation and what it does. The Barbados Marketing Corporation is a developmental agency, and I stick by that.

With respect to exports, let me correct you by saying that the Barbados Marketing Corporation is the No. 1 exporter of products into the extra regional area. Let me say this as well, that whereas the private sector people have been able to hook on to the Barbados Marketing Corporation, the Barbados Marketing Corporation was never allocated any money for penetrating the export market. The Barbados Marketing Corporation did that without the help of the private sector, and now that the Barbados Marketing Corporation has been able to open markets in Europe, especially in England, Canada, and to a lesser extent in the United States, the private sector people now are benefiting from these markets which we have opened up.

With respect to the fact that the Barbados Marketing Corporation only brings in chicken backs and chicken wings, I want to explain something to Senator Barker.

Under the Barbados Labour Party, between 1976 and 1986, the Barbados Marketing Corporation was changed from a developmental agency into a supermarket, where it brought in all kinds of varieties of things from Miami, or wherever they came from, and just sold them. After 1986 the Democratic Labour Party had to change back the thrust of the Barbados Marketing Corporation into a developmental agency. What we have done during this period is to develop a vibrant beef industry in Barbados, because the Barbados Marketing Corporation over the last 7 years or so has been able to take in the cows from the local farmers and produce a very high quality beef. We have been able to allow the beef industry in Barbados to get on its foot again and be competitive with the beef imported into Barbados.

With respect to onions, we have been able because we are the importer of onions and we only import the onions at a time when the local onion market cannot produce the onions, we have been able to protect the local farmer in developing an onion industry in Barbados; again, a developmental programme. We have done the same thing with respect to pork in Barbados, and were it not for the Barbados Marketing Corporation and its programme for killing the pigs and selling the pork to the local wholesale people, the pig industry in Barbados would have been dead all like now. The pig industry in Barbados would have been dead all like now. So Senator Barker needs to recognise the developmental role that the Barbados Marketing Corporation is playing in these most vital areas in Barbados.

11.40 a.m.

With respect to the importation of chicken backs and chicken wings the Government took a decision because these were low priced proteins which were not produced in the local market. The chicken people in Barbados do not produce chicken wings or chicken backs. We decided that the poorer people of Barbados should have protein at a lower price and that is why the Barbados Marketing Corporation went into that venture to make sure that the nutrition of the poor people in Barbados is not suffering. Senator Barker needs to understand that.

When we look at the debt to the BADC let us be realistic. The BADC as an arm of agriculture only reflects the agricultural situation in Barbados. If you look at the private sector agriculture, their debts too have been escalating over the past few years. This is true not only of Barbados. If you look at the world scene this is part of the problem which is holding up the GATT negotiations: the subsidies of farmers in developed countries whose aim it is to dump their agricultural produce in the developing countries. So, yes. We have a serious problem with the development of agriculture and this problem is not a

problem that is peculiar to Barbados. It is a problem that is seen throughout the world.

If you look at what is happening in Japan where they are protecting their own rice market because they refuse to buy rice at a cheaper price from the United States because they recognise that if they do that they would kill their own rice industry. They too have to subsidise their rice industry and countries all over the world find that in a competitive world they have to subsidise their own agriculture in order to stay on the market.

Now, Senator Barker has said that he does not agree with this philosophy of merging the 2 corporations. But Senator Barker has to recognise that we are living in a world that is changing rapidly and you have to adjust to the changes that are taking place in the world. You may say that it is a decision taken by Government because of pressure or, as you said, put by the IMF. Maybe if that is true, it is a good time for us to sit down in Barbados and look at our institutions. There is no reason why we should believe because an institution was set up in 1962 and one in 1963 that going into the year 2000 that we should maintain the same institution without examining it, without looking at it, without recognising that you have to restructure it and get the maximum out of it. Whether the IMF set it or not. Maybe it is a good thing that the IMF came and looked at you and said there are things that need to be done because if you look at the developing countries they are restructuring as well.

In this morning's news from the BBC we are being told that in certain parts of England the Government has mandated that only a certain number of operations can be done per month. So if your appendix bursts when the limit has been done you are in serious problems because only a certain number of operations are supposed to be done in a given month. This is the state of affairs in the world and we in Barbados have to recognise that we too are on the planet Earth. We are not like the billion dollar Mars probe that is lost out in space. We are part of this planet and we have to be governed by the rules that exist on the planet Earth and Barbados cannot avoid the massive structural economic adjustment that is taking place throughout the world. We are part of that and we have to look at it very carefully.

I think that this is the time to look at institutions like the Barbados Marketing Corporation and the BADC and see how we can best put these institutions to use for construction, going into the 21st century. One thing we have to recognise in this country is that sugar has a very fragile place in the world market. Later next month, there will be a meeting in Brussels to review the second half of the Lomé Convention, a convention which gives preferential pricing to the treatment of sugar. We would be

very lucky if we are able to guarantee that by the year 2000 sugar will continue to have its preferential price within the Lomé Convention.

We know that the Latin Americans are lobbying very strongly and are claiming that the Lomé Convention is an illegal agreement and that it should be abolished immediately. If that is true, therefore, and we are to look at agriculture, we have to look at agriculture in its holistic view. We have to look at what the role of sugar will be and I think the fact that the BADC and the BMC are being amalgamated gives this new organisation an excellent chance to marry the lands of the BADC with the promotional thrust of the BMC to see how best we in Barbados can use the lands of the former corporation with the marketing thrust of the former Barbados Marketing Corporation to penetrate the extra-regional markets. I think this is a wonderful opportunity.

I think if Senator Barker can understand that underlying philosophy he will change his position and understand that it is very important going into the 21st century to have new corporations with new thrusts looking at agriculture from a different point of view. New people do not necessarily mean new persons because you can change persons and still have people who do not have the foresight to make decisions which are very important. I think a review of the institutions, a re-defining of the developmental role, is very important. I think that it is very important that an institution like the BMC...

Let me address something that you said too. You talked about farmers growing potatoes for the BMC. Yes, we have taken positions where we have gone to farmers and said that we want you to plant x numbers of potatoes for the export market because we have gone out to the export market and we have assessed the export market. But you know what happens? The farmer starts to plant for us and we guarantee him a price of, let's say, 5 cents per pound for potatoes but when he can get 10 cents per pound on the local market and you are expecting to export you cannot get the potatoes because he is getting more money for it. Next year when he has a glut of potatoes and he cannot get any money for it then he wants to come and dump it on you and say, "Sell it for me".

You cannot plan production in that way and that is the basic problem that we have had with our farmers. You sit down and you draw up a beautiful plan and you want to go into the export market and you tell the people you are going to send them 100 000 pounds of potatoes every week and when the time comes the farmers tell you "I can sell the potatoes at a better price and I am sorry I cannot sell it to you." Unfortunately, when you commit yourself in the overseas market and you don't produce this year you cannot go back to the people next year and tell them you are going to come back because they will buy it from some place else.

We need to have a liaison between the farmer and the BMC. The BMC cannot operate in a way that it can only buy produce from the farmer when the farmer has a glut and does not have any place to sell it. If the farmer wants to be a farmer and a marketer at the same time he must run into problems. The basic problem we have with the farmer is that he wants to sell to the BMC when he can sell no place else. You cannot plan that kind of way. We need to have a new understanding between the Government agency which is marketing for the farmer and the farmer himself. Those rules have to be laid down quite clearly.

Senator Barker also talked about somebody coming to Barbados and he offered them avocado pear and they liked it. Yes, Barbados produces a very high quality avocado pear but unfortunately we only have so many avocado pear trees and we only produce so many avocados. So when you go into England if you send 40 avocados how many people will get the avocados? The problem is that we don't have the land space. We have to understand that if we are going to sell avocados in the extra-regional market it has to be a niche market because of the quality of the produce where we can get a good price for the produce we are selling. But if we are going to sell avocados in the extra regional market, it has to be a niche market because of the quality of the produce where we can get a good price for the produce that they are selling. Again when we deal with farmers looking for niche markets if the farmer can sell his produce locally at a higher price we find ourselves in problems with respect to our commitment because we find out that the farmer sells his produce locally and we are left with the bag. There needs to be serious education on the part of the farmer and liaison between the marketing arm and the farming arm.

11.50 a.m.

One can understand also the position of the farmer because his whole thinking is if he spends all his time in his ground and he can get \$1 for an avocado why should he sell it to BMC for 50¢. You find yourself in a serious dilemma, a no win situation. One needs to understand the intricacies. It is easy to get up and say when the farmer wants to sell the BMC does not take it. The BMC is not a dump. It is not some place where you drop the produce when you cannot get them sold because if we take them from you we want to know that we sell them and we earn, primarily, foreign exchange. These are some intricate matters that we need to talk about. It is not as simplistic as saying that the farmer produced so much potatoes this year and next year when he produced them the BMC did not take them. To take them we have to have markets.

I think that this new entity gives the Government an opportunity to sit down and look at planning going into the Twenty-First Century because that is really what we are talking about, planning for the Twenty-First Century. I

think that the marrying of the marketing arm of produce with lands where the new entity now can say, I am going to put in so many potatoes, I do not have to ask anybody to plant them, I do not have to depend on anybody to plant them. You can go back to Haggatt's now and you can pull out those pipes that you saw that were in the thing and put them in and make sure that the irrigation is running and make sure that when we contact our agents in Canada and in England we can say we are going to produce so many avocados or we are going to produce so many cherries because the organization owns the cherry trees, the organization controls the cherry trees and are therefore able to marry marketing with production.

I think that this new agency gives the Government a total package that it can marry together in order to move Barbados forward in agriculture beyond the Twenty-First Century. It is because of this new philosophy that I think that it is a good Bill and I wholeheartedly support the Bill.

Thank you, Mr. President.

Mr. PRESIDENT: Senator Alleyne.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I am going to be mercifully brief with this particular Bill. In supporting this Bill, I wish to make a couple of observations. A perusal of the Act which established the BMC in 1963, and the Act which established the Barbados Agricultural Development Corporation in 1965, if one examines those two bits of legislation carefully particularly the sections which deal with the functions of those institutions you will see that there is a substantial area of overlap which, I think, is one of the major reasons for the restructuring and rationalization of the institutions.

There is a fundamental difference between the restructuring process and the management process. You can have a first class model. Human beings have got to implement and manage that model. Throughout the history of Barbados the public sector has been notoriously inefficient when it comes to the area of agricultural management. This is not only true of Barbados. It is true wherever you go in the Caribbean. Examine the case of Caroni Ltd. in Trinidad. Here in Barbados we do not have the financial resources to pump into state agriculture as Trinidad has done. The Government of Trinidad and Tobago has pumped hundreds of millions into Caroni.

The experience of the Caribbean with respect to public sector management in agriculture has nothing to do with the people who manage it. It has to do with the environment within which they function. In the private sector if you do not deliver the goods, you are fired because the shareholders need to receive dividends. If you cannot produce dividends they are going to get rid of

you. The fundamental divide between the private sector and the public sector is the issue of accountability and it is not specific to this Government or the other Government or any other Government through history. It is a problem over time. I understand the need for partisan debate but I am not going to get into it.

I think we need to go back a bit in time, Mr. President, and try to recall the context in which these institutions were developed. We are talking about the very early 1960s. If we go back in time and read, as I have done, all the Development Plans published in Barbados you will see that from the first Plan statements were being made about agricultural diversification. I think the 1968 Plan was the first occasion that one notices any substantial articulation of what was meant by agricultural diversification.

I make that point to indicate that in order to understand the context within which these institutions develop we have to understand that the Labour Party Government of the 1950s started to demonstrate an interest in agricultural diversification because they recognized the limitations of mono-culture in cropping agriculture.

The Democratic Labour Party Government which took office in 1961 was of a similar persuasion and committed itself likewise to agricultural diversification. The fact of the matter, Mr. President, is that agricultural diversification has not done well in Barbados. It has not done well for good reasons. We can identify those reasons. I would think that one of the fundamental reasons why agricultural diversification has been unwell is the kind of perspective, the kind of very limited philosophy which has informed agricultural diversification in Barbados over the last 30 years. These are hard truths which we have to face. We cannot escape them. The Barbados Marketing Corporation has never been given the chance to perform well. It has never been given the financial resources to do the job it is required to perform. They have not been given the human resources. I have a little experience there. What is worse is that in its 30 years it has not had the kind of environment to perform in which it deserves.

I sympathize with the workers of the Barbados Marketing Corporation when they have to face public strictures. I think people have to understand and appreciate the environment within which those workers have to function.

Quite apart from the position adopted by Senator Barker, the fact of the matter is that in Barbados, that the vast majority of resources in agriculture are owned and controlled by the private sector. It is true Government has, I believe, approximately 4 000 acres of land, but that 4 000 acres of land is not prime agricultural land. It is land which

came into state ownership because either the owners were so heavily indebted to the Government that they could no longer continue to operate and the Government acquired it or something like that. It is not prime agricultural land. I think we have to make a distinction between the quantity or the total acreage and the quality of land. I want to be very clear on that.

The ADC which was set up in 1965 was never given the resources with which to do the job. That is a fact. They have never been provided with the kind of environment within which they could deliver the goods. I feel very strongly, Mr. President about operating in a situation where a Minister is able to say to me as a Manager, and I want to be very clear I am not saying it happened in this administration. I am not saying it happened in any administration at all. I want to be very clear on that. I feel very strongly that as a Manager, a Minister could say to me, Mr. "X" is my friend so you have to take his produce even when he does not have a contract. It will undermine the integrity of that institution, and I want to make contact with this issue of contract farming.

12.00 noon

Senator Simmons did not use that term but I am convinced beyond a shadow of a doubt, Mr. President, that if marketing in Barbados is going to move from the archaic concept of marketing to the modern view of marketing, contract farming has got to be at the centre of it. That is one of the things that has got to be at the centre of it. Contract farming places responsibilities on both sides – the farmer and the management of that corporation. Any farmer who contracts to deliver any quantity of produce to that corporation, I firmly believe that farmer must be given an option if at the time of harvest the going market price is substantially above the contract price. That farmer should be given the opportunity of benefiting from the higher market price. But there is a *quid pro quo*. If the farmer cannot deliver what he has contracted to deliver the onus is upon him to secure an equivalent amount of produce and deliver it to the Corporation. There has to be responsibilities placed on both sides. I am absolutely clear about that in my mind. This business of using the marketing institution as a last resort has got to stop. Because if farmers, out of callous and selfish action, destroy their own marketing institution what they are doing is pulling the ladder from under their feet. We have to be very clear about that.

I am concerned, Mr. President, that the tasks of the Marketing Corporation and the ADC are not assisted by some of the chaos in agricultural policy in Barbados. I am yet to make sense of a decision to dismantle the extension services. We need a vibrant agricultural extension services system in this country and irrespective of what the technocrats or whoever in the Ministry of Agriculture may say, I stand eternally opposed to that decision to dismantle the agricultural extension service in Barbados.

I have heard some discussion this morning on the issue of development activities. Another time I heard about commercial activities and I wish to make it crystal clear, Mr. President, that these issues have got to be dealt with in an analytical fashion. I refuse to accept any explanation from anybody in Barbados who will submit to me that it is difficult to evaluate the performance of an institution because it has a mandate which requires me to perform developmental functions as well as commercial functions. I refuse to accept any submission which says it is difficult to evaluate that institution.

What I suggest, Mr. President, is that it is very important that the managers of the new institution identify the areas of commercial activity and in so doing identify the areas of development activity. The yardstick for commercial activity is profit and if they cannot deliver a profit then fire them.

I come to development activity. I can understand the case for subsidizing development activity. Profit cannot be the yardstick for development activity. The yardstick has to be what progress you have made in introducing new activities. What new markets you have penetrated, and so on and so forth. But I can never be persuaded that you can have an institution and you are telling me it has developmental functions and commercial functions and that makes it impossible to evaluate it.

This is the 1990s. This notion that you can have an institution which is a law unto itself, has to go out of the window. In the whole restructuring process of Barbados those institutions which somehow felt that they could do as they like the end of those institutions must come.

Mr. President, I started out by saying that I would be mercifully brief. There are two points I would wish to make. Cropping agriculture in Barbados is at the crossroads. There is that very close relationship between performance in sugar and performance in non-sugar crops. The evidence is crystal clear. As sugar declines, output of the non-sugar crops similarly declines. This new institution must be given the opportunity to play its role in turning around the state of decline.

Senator Barker touched on the thorny issue of land reform. I prefer to speak in terms of agrarian reform because agrarian reform is much wider than land reform in the way in which I understand the concepts. To speak of a model marketing institution without taking cognizance of the need for appropriate agrarian reform in Barbados is to situate an institution in an environment which does not give it an opportunity to succeed.

Mr. President, I have access to the most recent census data on agriculture in Barbados, and the data confirmed

what we saw in the 1973/74 census, that is, that the average age of workers in agriculture is increasing. To put it another way, the youths of Barbados have turned their backs on agriculture. And, Mr. President, quite rightly so. There is no earthly reason why young people in Barbados today should wish to aspire to a career in which they have to go and do back-breaking work on somebody's land for minimal remuneration. This is not to say, Mr. President, that young people are not interested in agriculture. I am fairly sure that if you carried out a scientific survey in Barbados you will discover that the youth of Barbados are interested in agriculture. They are not interested in being farm labourers, they are interested in being farmers.
12.10 p.m.

Mr. President, I would like to believe that this Bill will take all agricultural policy into the modern era of marketing, because I am convinced that we started out with an archaic concept of marketing in 1963 and we have not got out of it to this day. My plea today is that we sit down and address the issue of agricultural policy seriously, and all partners have to do it, because the Government cannot do it alone. It has to sit down with the private sector, because they control the real resources in agriculture. It has to listen to the youth of this country, because there can be no agriculture unless the young people see a career in agriculture. To sit down and talk about introducing agriculture on the curricula of schools without at the same time putting in place the policy changes which will ensure that young people can make a decent living in the same way in which medical doctors, dental surgeons and successful lawyers do is like throwing water into the sea.

The challenge to the Government today is to sit down and take this issue of agricultural policy seriously. I have no issue to join with anybody, I am interested in agricultural policy and in seeing that the right initiatives are put in place in this country.

Mr. President, with those few words, thank you, Sir.

SENATOR Mrs. V. C. FRASER: Mr. President, I rise to support the Bill, but in supporting the Bill I should like to look at the developmental and commercial aspects. I am very concerned about the developmental aspect, because to my mind it is not clear to many people what a developmental role in agriculture means to Barbados.

First of all, we are talking here in (b) about facilitating Government's policy with respect to rural development of land reform. I believe that if we are looking seriously at land reform, which I think is extremely necessary, it means that we have to inform people – which is one of the things we seem to fail to do – in a thorough manner, which means passing on the information through every area of activity, by newsletters and using the very strong medium of television plus the written media.

We have to let young people know what was the purpose of land use before they were born. We have also to let them know how people have come to own land. It is very difficult for some people to understand how their parents came by a spot of land. They do not know the difficulties they had to go through to obtain that spot of land, which sometimes was obtained by real sweat, blood and tears. We must also tell the youth that land is not something you just go and take away from people, or that you go and reap people's produce and say that the land is there for that purpose. We must instill in their minds the importance of hard work and devotion to duty, and the fact that what you can grow to eat as your own is vitally important to land reform.

Traditionally Barbadians wanted to own land. I do not think that is anything new, but we have to teach the youth, while we are talking about land reform and who owns the land, and how many people own the land, why these people manage to own the land more than they, that there are reasons behind this and also that as a Government we could help them to become the same type of persons. First, by training. You will notice that we have started agricultural science in the schools. My contention has always been there is no point in having agricultural science in the schools without any land to give the practical demonstration, and therefore to get the youth costing the products, marketing them and making a profit. I have visited several agricultural schools where the students have to grow produce, calculate the cost of the produce, market the produce and the money goes into a kitty to help them to do various things. Some of it goes to them as a stipend. By the time they leave that institution they are well aware of how to get on in agriculture. They may go to an institution of further learning after receiving the basic foundation. In other words, they have not only been trained in how to see something grow, but they are actually putting their hands in it and are deeply involved in the whole exercise.

A case in point is when we used to send people to Centeno. I went to St. Augustine where we did West Indian agriculture. We had to put our hands in the soil, we had to sink down deep in the mud with the boots, we had to cost our produce, grade our produce and we had to be found out there marketing our own produce, so that at the end of the course you knew quite well where you were going and how to advise a farmer about his own produce. I believe that is an area where we would have to start first when we talk about agrarian reform.

Another area, Mr. President, is funding. Barbados does not have all the resources in the world to help to carry out these various projects. Therefore, in order to stimulate and facilitate agriculture, we have to find agencies who are interested in the total development of agriculture. Some

people are interested in the research and development aspect, and if they can give us money to do that, we try to get that money, but we have to have within the institution a number of foot soldiers who can face international institutions in order to get funding to see that the various projects are carried out.

Mr. President, a research and development institution is not an institution where you should expect people to sell things and bring in money. This has always been a big contention. I quite agree with Senator Alleyne's understanding of the research aspect or the developmental aspect of this new Corporation. In order to market successfully, this institution has to go to other international institutions to seek funding for promotion of the crops that we have in this country. This is what a unit like Food Promotion does in an agency like this, you have to find money to get publications out and to train young people, because these are some of the things we are already doing at the Barbados Marketing Corporation. The Corporation is divided into commercial and non-commercial areas. I am happy to be working in the Food Promotion Section.

Write the Barbados Marketing Corporation and ask them to conduct a class in X, Y, Z. The first place the letter comes is to my attention after the General Manager, and I have to go out there and find funding, find personnel to assist in helping to train those young people in whatever the subject matter is, and it is always a subject that relates to agriculture. When it comes even to aspects of the Ministry's work, they might be holding a seminar on fruit. They will request the Barbados Marketing Corporation to produce a paper and some booklet and when you ask where is the money they have no money. The Barbados Marketing Corporation has no money.

12.20 p.m.

Mr. President, we need to have some funding there so that we can draw from this funding in order to help facilitate and stimulate agriculture through marketing support. People seem to misunderstand that promotion and sales are aspects of marketing. People really misunderstand what marketing is. Marketing is only the big fellow. That is the umbrella but under that umbrella you get all the other things, sales, promotion, the information, all of this. You cannot market successfully unless people are informed.

We have to be able to market to people what crops are for export and what crops are not for export. This should be fully publicised. We need to use the television stations effectively, both educational television and our own Caribbean Broadcasting television. If we do not use these effectively then we fail to market.

Only yesterday, Mr. President, I saw on CNN where Carolyn O'Neill was travelling up and down the

United States showing people how the different peoples who came to America marketed their various foods and the way they went into it. That is a lot of money. If the Barbados Marketing Corporation or the new corporation can offer those kinds of packaged programmes and send them out, not only to Barbados but outside of Barbados and say this is strictly Barbadian, people will buy those programmes. People will utilise those programmes. If we can get a Barbados cookbook with all of the various things we produce. There is a Guyana cookbook, a Jamaica cookbook, a St. Lucian cookbook. We need a Barbados cookbook and the Board of Tourism and other institutions in this country can help to market that to show how we can utilise our produce.

I am not saying we have not got any because there are about 20 books which I myself am responsible for producing. But, I am talking about a big book encompassing every food, - black belly sheep, whatever you have in Barbados should be there in that book so that when a person takes up a copy the person understands this is Barbados. Here your Research and Development Unit can benefit from the money from the sale of that book to help that unit to continue now to market the produce.

What you find is when you market certain produce overseas the next question people ask you is: "How do I cook it? How do I prepare it for eating?" That is what they are interested in. In all of my experience in all the exhibitions that we have gone to all over the place, they are interested in that. What I did was to develop a small booklet with the things we were exporting and put a recipe to it so that people at least have 1 or 2 recipes. Now every single article you see come in Barbados whether fridges, stoves, pop-up toasters, they come with some recipe sheet in it. That is an aspect of marketing their product and we have got to get in step within this century. We cannot stand behind.

Mr. President, with respect to the young people of Barbados I cannot agree more with Senator Alleyne because I know and I am very convinced that the young people want to go on to do agronomy, pathology, and various aspects of agriculture. They want to own their own land. Only yesterday a young man who was working with the Ministry and then he went to work with another agency called me and he said, "Have you heard about any land in this place to buy? We have 3 children now and I want to settle back home and I want to work my land."

Now, I feel that Government has to take a lead. We cannot sit down and wait on the private sector. Besides, let me say here, Mr. President, that in real fact a lot of these plantations that I am hearing about, some of these plantations that I hear people saying that ADC owns, have not paid taxes for donkeys' years and should really belong

to the Government in truth and then we would be able to cut up the land and help some of our young people who are very interested. I will never say that young people are not interested in agriculture because my experience has been that they are. There are a lot of young people and clubs in Barbados which are even making use of the places we were talking so much about in the Belle. The Libra Club is making use of part of the Belle plantation given by the Government to assist them in helping those who are unemployed to grow their produce and to market it. So there is some work being done.

There are other agencies which are assisting the Spring Hall Development with drip irrigation. They themselves have formed a cooperative. We need a lot of people thinking of getting themselves together and forming cooperatives. I see here this is one of the things with which the agency has a mandate to do. In St. George we have a very good farmers' cooperative and I think that a lot of people can follow suit because when the farmer has grown he wants to know that he can sell and he wants to know that he has places to sell. What hurts me a bit, Mr. President, is that some people in this country are not prepared to take any initiative to do anything to help themselves. I think that is very hurtful. Perhaps by having a big motivational campaign on agriculture I think this may help to bring them to the forefront. The whole question of the beef programme and introducing these various programmes to the public and getting them to eat a particular food, I am happy that the beef programme has been successful because when Barbadians themselves tasted our own beef they were surprised. They thought that this beef was from overseas. It just shows us that we have a lot of people in Barbados who are not aware of what we are able to produce successfully. This, I think, can be helped and assisted again here by effective communication, utilizing with great effort all the media available to us Barbadians and, of course, now we have agencies here like the Caribbean Agency. We are able to utilize this because you have seen even Crop Over on this on Sunday nights. 12.30 p.m.

This question of if to stimulate and improve the production, marketing and processing of produce. At the Promotion Unit of the Barbados Marketing Corporation a number of products have been worked on in several ways and we have been able to develop even fruits like Carambola, dried fruit and so on and we have made cakes and so on from these products. In St. Andrew they are growing. I heard somebody talk about Haggatts but Haggatts has been producing some very good quality fruits. I am not saying they are able to have the amount of workers to do all the land they have there but the Carambola, the guavas, the mangoes and so on have been of a very high standard. Some are being used for export through the BMC's export unit.

I think that if we are talking about stimulating something then we have to stimulate by exposing these people to the public and exposing the good and the positive and let people know what people are doing, instead of every time we start, we criticize. We have also to let people know, pass on the information. This is what we are doing when we experiment with a crop, we test market it and people taste and say canned soursop tastes good or whatever, bottled Carambola tastes good. Then we have passed it on to several small business people. Or Bajan pepper sauce, the old time pepper sauce which people are asking for with the paw paw and the tumeric and so on.

We have had a young lady here in Barbados who lives in St. Philip and she is doing a very successful exporting job to England and Canada with that old fashioned pepper sauce. She came to us at the unit and we were able to give her all the information, the ingredients, tell her where to buy the things. That is what the Research and Development and the Promotion Unit does. But one of the things we cannot do is to do things continually without staff.

I was glad Senator Alleyne mentioned the question of the environment. Where do we work to produce these things and what staff do we have? If we are going to continue to have a little place in IDC's building, no toilet facilities inside that building, the staff must walk out to the communal toilets. We are not going to have proper hot water with that kind of facility. It means then that the staff is going to get over worked, over tired especially when you have one Food Promotion Officer whose job is to travel all over Barbados morning, noon and night spreading the gospel of eating local, buying local and helping the people to prepare and understand what we are trying to get them to do and also getting nutrition groups and so on formed. There is one person doing that job and that is all the reason why we have to travel morning, noon, and night and anybody who is worried about that, they should abolish the job. But we think it is a necessary job for this. There is only one aide, one driver/messenger who is not a chauffeur, he is a driver/messenger. If that is going to be the limit of staff to do the work that we have done over the years, we can afford to pat ourselves on our back and say a job well done. The amount of produce that has gone out of there for the amount of exhibition we have to set up not only locally but overseas, and every other meeting that has to do with food you have to attend, as sometimes 2 meetings clash. We have to look at the staff needed and see that the people have adequate staff to function properly because tired people, people who do not have the proper facilities, they are not working in the proper environment, they cannot perform, anybody in the medical field knows that, and then they become very stressful.

Mr. PRESIDENT: You have another 7 minutes.

SENATOR Mrs. V. C. FRASER: Thank you very much for the 7 minutes that I have. That is a lot of time and I can wrap up long before that.

We are looking at a number of starchy foods that we could turn into cereal for babies. In Barbados you have to look at where the needs are. People have been buying an awful lot of baby food in this country. This is hurtful when you think that some of them do not really have the money and they go down the road and buy a bottle of mashed bananas. We are happy that we have been able to turn this around by making nice little containers of mashed banana, just the plain banana with a little lime juice and saying, this is the way you can do it for your child. You can mash the pumpkin and the child is still getting vitamin A. You can put the carrot in a drink with milk and the child is getting vitamin A. The child will not be suffering from rickets. You can chop up the spinach, mince the fish and the yam and the child is getting a good diet.

Therefore we have to be very interested in this because we are looking now seriously at this whole question of how structural adjustment has affected the food intake and the ability of parents to buy certain foods. Here we are advising a number of people to try hard to grow the spinach, the paw paw, the little things around their houses so that the children can still get a nutritious meal at a good cost, not a very expensive cost and everything is reaped from around the little circle, if they grow it in half cans, pots, pans or whatever.

But this is part of the thrust of the new corporation. I agree that it has been on one side and not on the other but I feel now we come together with people with varying talents and people with varying ideas and the young people out there who come into the courses who, at the end of the courses, give us a complete report on how they feel about certain things. We are able to work around with what these young people have said. I have several reports of things that young people have asked for and we have tried hard, even if it is by going to a funding agency and getting that money to help those young people because I have absolutely no objection going to a funding agency or through the National Development Foundation where we have \$100 000 to help young people, we are helping them through training, lending them small monies so that they can set up their own businesses and they will not have to be dependent upon other people. This new corporation has to collaborate with several agencies in the community, private agencies, public agencies. They have to co-operate with the lending institutions. They have to co-operate with the nutrition centre because if we get this total working together with this agency, I see it as a tremendous success. We know that you will have difficulties and as long as you are dealing with human beings, they are people. People come with their own ideas. It is good to sit down

and listen to them and hear what people have to say. Sometimes you can get a number of good, very good reports from people and also they can give you some information which will assist the agency in the future. It means that we have to listen, collaborate with other agencies and try our best in this institution to push it forward for the total development of Barbados. I am hearing all criticism and no work. I am content to work morning, noon and night. I have not had a vacation now for the past 2 years. It really does not matter.
12.40 p.m.

I will not drop dead, because if I am the only person to do certain things in my department never mind when the amalgamation comes I will get my full vacation.

Thank you very much, Mr. President, for allowing me the time to give some of the thoughts I have had for a long time and wanted to vent on this new corporation.

SENATOR Miss M. A. MOTTLEY: Sir, the Bill which is before this Chamber is similar to a number of other items on the Order Paper before us today in so far as they form part and parcel of an agenda which Government is under a mandate to complete within a certain time table.

It is unfortunate, Sir, that time and time again we see in this Chamber, matters which only find themselves here because of external pressures and indeed, Sir, it reflects a lack of proper planning and lack of even understanding within the bosom of Government as to what indeed it intends to do.

Sir, it is my contention that the amalgamation of the marketing agency of Government in agriculture with the ADC reflects also the views that the World Bank have advanced within recent years in many developing countries that Governments should not operate marketing agencies. Indeed, Sir, this amalgamation, I believe, is an attempt to show to the public and to the outside world that Government is still in effect controlling a marketing agency, or as Senator Simmons puts it except that his timetable was a little incorrect when from 1976 to 1986 it operated as a supermarket. But in truth and in fact, Sir, we saw that even as recent as last year it operated not only as a supermarket by importing sugar but by importing substandard sugar that was not fit for human consumption in a large respect.

Sir, I do not want to be bogged down...

SENATOR Dr. E. A. SIMMONS: Mr. President, on a point of order, I normally do not object to anything that anybody says but I think it is quite inaccurate and totally false to say that the Barbados Marketing Corporation imported substandard sugar and sugar that was not fit for human consumption. Let me put the record straight,

Mr. President. The standard set for the importation of sugar in Barbados was set by the Barbados Sugar Industries Limited. They were the ones who set the quality and every bit of sugar that came into Barbados was tested to make sure that it met the specifications set down by BSIL. Let me say that the standards set by BSIL were standards higher than the sugar produced in Barbados.

SENATOR Miss M. A. MOTTLEY: Sir, that still does not nonetheless negate the fact that thousands of tonnes of sugar were dumped at sea and indeed records of the local press would show photographs of the process taking place out of the shallow draught. Further than that, Sir, I believe that the trust of the average Barbadian consumer and their judgement as to the sugar will attest as to standard set by the BSIL. Nevertheless, Sir, I do not wish to be bogged down on issues of sugar today, Sir, because I believe there is a greater picture at hand particularly as it relates to Government's lack of policy in certain other areas.

Sir, one cannot help but raise the whole question of what is Government's agricultural policy and where is it being set out when Government proposes to amalgamate two of its major agricultural institutions, particularly given the recent history of these two institutions. It is true, Sir, that we do not have audited reports for the last 4 years to be able to make comprehensive judgements as to their exact financial state but what is significant, Sir, is that the debt of the ADC could rise in 1986 from \$3 million to \$22 million in 1993 if we are to judge from the figures given by the Minister of State in the Ministry of Finance as recently as Tuesday as they relate to the debt owed to the Barbados National Bank.

Further, Sir, bearing that rise in debt in the context that during this period of time, certainly during the years of 1989/90/91 there were all sorts of arrangements and all sorts of accusations that led the ADC to be the subject of much talk as it related to the cost effective use of its resources whether it be from houses that were being occupied by Personal Aides to the Prime Minister and the understanding that repairs were to have been done. Also whether it was due to the fact that the people who were managing the ADC were alleged to be using resources of private operations that they were conducting in other parts of the country, be that in St. John or otherwise.

Sir, the whole history of the ADC in the last few years has been one that has been riddled with scandal and at the same time it has been one that has seen the production, particularly the production in non-sugar crops as well as sugar crops drop substantially. Indeed, Sir, while it has been argued in here by other Honourable Senators that the production in the private sector agricultural

entity has dropped too, the fact remains that the percentage drop within Government's production has been far greater than the percentage drop within the private sector production of agricultural crops in this country, particularly sugar.

And, Sir, when we also look at the fact that it is true that a number of these estates are marginal lands that is all the more reason why Government has a duty to ensure that these marginal lands remain in production. When you take that, Sir, in the context that this Government has still failed despite pleas from....

Once again I heard Senator Alleyne as to land reform and indeed their own Manifesto which I believe received assistance from all and sundry, claiming that they were going to deal with the issue of land reform and still in the context of 35 000 Barbadians unemployed, in the context of the fact that you are having difficulty in earning foreign exchange and there is a desire to reduce our import bill for food which jumped from \$155 million in 1986 to \$225 million by 1991 - \$70 million increase. And at the same time production at the ADC estates dropped dramatically, whether it is in non-sugar production or in sugar production.

Now, Sir, Senator Alleyne raised the whole question that the census clearly reflects that the youth in Barbados are not participating in agriculture. Sir, anybody who also looks at the draft report of the Commission of Youth which Government had in its custody for 5 months and which they would not produce or act upon would also see that those figures were reflected in there. It is of paramount importance that this Government announce to the country what is its agricultural policy because if you are going to try and encourage young people to become involved in that entity they must be a level of certainty as to where this Government wants to take agriculture. In the absence of announcement, particularly when you are bringing down a major Bill like this, I can only come to the inescapable conclusion that there has been no fault about the agricultural policy and this Bill really only is down here to meet a time table because believe you me, Sir, if I know this Government as well as I do, they would have pomposetted if they had an agricultural policy to present, particularly since an Annual Conference is coming up this week-end in respect of the party. We would hear it and we would hear it in the context that the 60% or so who are young people within that 35 000 would have an opportunity to participate within this agricultural policy to bring employment to themselves and the sense of dignity that we hear the Minister of State in the Ministry of Finance so glibly talk about when he heard the results of Richard Carter's study on youth. Sir, that 70% of the young people in this country have no hope in the future.

In the context of all of that, Sir, there is a duty to determine that vital policy and to determine the whole issue of land reform because at the end of the day it is my contention that the peculiar history of a country coming out of slavery and a plantation economy has done large scale psychological damage to the psyche of the majority of black people in this country. At the end of the day, not only in Barbados but in the other Caribbean islands, there must be an element of reparation, and land reform is but one of those methods to bring about that element of reparation.

12.50 p.m.

Sir, it was part of the same policy that informed the Barbados Labour Party when it passed the Tenancies Freehold Purchase Act in 1981. But if there is one thing the Barbados Labour Party was guilty of when it passed it was the inability to link clearly to all and sundry, in a form of propaganda almost that it became second nature, that not only were black people being given the right to purchase the land that their families had lived on for centuries, but that this land was not to be used just for residential areas, but for the purpose of production. Indeed, when we look at the policy of the Labour Party Government in so far as it related to the taxation of idle lands, it was clear that that was part of the overall policy. But the party fell down, in my humble submission, in terms of the communication of the overall concept to the people of this country. I am saying, Sir, that land reform is necessary in that process of reparation. Black people in the Caribbean have to have that process of reparation completed before they can successfully continue the government of their destiny.

I go one step further, Sir. In the absence of this Government's decision to articulate agricultural policy, particularly as it relates to young people. I believe that I have a duty on behalf of the Barbados Labour Party to refer to the fact that even within the same ADC lands, part and parcel of our policy, as recent as the last Manifesto, has been that we must make available in St. Michael, and particularly we think of the Belle, Sir, those lands to young people in St. Michael who wish to become involved in agricultural activity. It is no use taking up young people in St. Michael and sending them to St. Lucy to farm. You are taking them out of their environment and you cannot therefore expect that their response would be as positive as you would otherwise hope for. Rather than making the Belle for agricultural exploitation by young people, the Government has taken the same Belle Plantation and announced last year that it was making it available to the prisoners. There must be some blindness involved here, Sir, because there seems to be the view that the prisoners need to produce that land more than those who form part of the mass of the 35 000 unemployed. I believe it is lack of foresight, because the Belle, given its proximity to the water table, is an excellent location for a particular form of organic farming to be done by young people in small lots.

In respect of other involvement of young people in agriculture, we have recently also started to articulate a policy called the Youth Enterprises Scheme. The thinking behind it is that we must look at our import structure and carefully see what there is a demand for, what can clearly make a profit in respect of the types of imports that you have, and in so doing then identify the particular areas of activity for young people to become involved in with the assistance of the State and the private sector. It is not a hit and miss, it is not Lotto, it is carefully sitting down and identifying what and where the purchasing power lies in respect of the import bill and matching it up with what you are prepared to involve young people in.

Part and parcel of this is the involvement in agricultural activity, particularly as it relates to food, because food forms a large part of our import bill. We believe that that identification would mean that we would no longer have to be spending the \$225 million we are spending now on the importation of food, and at the same time as reducing it, more importantly in our development strategy at this time, dealing with the issues of unemployment and poverty in this society, which is as critical as dealing with the issue of the earning of foreign exchange in this country. At the end of the day, Sir, if we attend to the task of earning foreign exchange without reference to the damage you are doing in increasing poverty and unemployment, you are creating social problems that will affect your economy in far deeper ways than the economic problems of lack of planning or management will do, because it will take you a generation or two to be able to solve those social problems within your economy.

It is clear to me, Sir, that that is one area in which we feel that Government clearly has not been looking at how it can deal with poverty and unemployment, particularly among young people, as it relates to agricultural policy. I do not support the Bill, because I believe it has been brought at this time as a result of a forced agenda and that it does not reflect a proper agricultural policy being outlined by the Government. I believe that were that the situation then we could sit down in here and talk about it, but because nothing like that has been articulated by this Government either in this Chamber or in the other Chamber, it is impossible for me to support what is just another *ad hoc* measure in the whole process of trying to find \$20 million from the World Bank. We will see a lot more of them in here today. Last time we sold out for \$50 million, this time we are selling out for \$20 million. What is even more distressing is that in the whole purported streamlining of these enterprises, we hear that 14 people are going home. I would like information as to where exactly these 14 people are coming from within the structure of the BMC and the BADC. If it was given already I apologise for repeating the request but I would like to find out.

1.00 p.m.

I would also like to find out what is intended in terms of the amalgamation of the 2 boards or is it to be a new board or what? Are there to be new Chairmen or which chairman is to have precedence over which? What I would also like to know is whether overtime is still being paid by the Barbados Marketing Corporation to people who work beyond the hours that they are employed to work and, if that is the case, what is the rate of overtime being applied. These are questions that I believe will determine whether a proper allocation of resources is being made.

Suppose Sir, you had an employee working overtime after 4 o'clock in the evening or after 5 o'clock or after 8 hours and is driving all about the country at all hours of the night, is he being paid overtime for those hours? If so, is that a proper allocation of those resources? Or should we do as Senator Fraser said and apply that to employ more staff rather than paying that one person all that money? Is it necessary also... I am asking. I notice that ...

SENATOR Mrs. V. C. FRASER: Mr. President, on a point of explanation. I am not sure that Senator Mottley understood what I said. She said something about my saying something about employing more people and not giving all the money to one person. I think she had better check what I said correctly.

SENATOR Miss M. A. MOTTLEY: Mr. President, the Honourable Senator said that they needed more staff for food promotion and I am wondering whether the resources are being allocated properly within that department, if at the end of the day, whether we are not mistaking the role of food promotion with that with something like a salesman's job. A salesman's job needs a car 24 hours a day because it is going about the country selling sardines or selling drugs like Phensic or other things around the place. Are we dealing with food promotion or sales promotion of other products? That is what I would like to know.

I would also like to know what is the position as I said in respect of the rent that was to have been paid in respect of Wildey Plantation House because I understood that it was articulated by the Prime Minister some 2 or 3 years ago that the house was being lived in rent free in exchange for repairs being done to the house and I want to know whether those repairs were done to the said house.

I would also like to know how it is envisaged to apply the lands...

Mr. PRESIDENT: Senator Mottley, these specific questions that you are asking, I cannot give you an assurance that the Minister can give you answers because you know there is a procedure for putting questions

to a Minister. You can ask the questions for the record but I cannot give you the assurance.

SENATOR Miss M. A. MOTTLEY: I am grateful for the Chair's guidance. I am well aware of the procedure for asking questions by way of the formal procedure except that I would be very disheartened to think that the Minister who introduced this Bill would not be in a position, if not to answer, to get the answers for this Honourable Chamber. I thought that was the purpose of debate; but in the absence of that guidance I stand guided by the Chair.

I am also, Sir, wishing to find out what is the position with respect of the growing of cotton on any of the ADC plantations. Are any of the ADC plantations still growing cotton and if so, what are they still yielding? Are their yields still below the yields that are received by proper production of that crop? Is it a fact that they would have had to have contributed to the massive losses of the \$9 million that CARSICOT still owes to the Barbados National Bank? When you add the \$22 million that the ADC owes, that is \$31 million already. Barbados is looking for \$20 million from the World Bank.

When I look at all of this, it really bothers me that we are seeing this legislation come down in an *ad hoc* manner without reference to a comprehensive policy, without reference to where we are taking the country. Indeed, Sir, we hear Senator Simmons in here all the time talking about Lomé and indeed, we know that his interest has become almost singularly focussed to the African Caribbean and Pacific countries. The unfortunate thing about that is that at a time when we have someone well placed like him our production has fallen to the level to which it has fallen and that we have not been able to utilise that. That is the irony of Government's management of its productive sectors.

Sir, at the end of the day I have difficulty with supporting this Bill not because I do not support the fact that Government should not be involved in marketing, but because I do not believe that the Bill is being brought here with any overall policy or within any overall policy framework as to where it intends to fit this within our agricultural policies. In the circumstances, Sir, as I said, I find myself unable to support this Bill at this point and hope that the comments made in here by Senator Barker or myself or, indeed, by Senator Alleyne will force Government to articulate its agricultural policy as a matter of urgency, in the alleviation of poverty and unemployment, as part of its overall policy and not just in the raising of foreign exchange levels by way of borrowing, and not even earning. Thank you, Sir.

SUSPENSION

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move that this sitting be suspended until 2.10 p.m.

The question was put and agreed to.
1.10 p.m.

RESUMPTION

Mr. PRESIDENT: This sitting is resumed.

SENATOR T. C. BECKLES: Mr. President, I rise to support the motion and I assure you that I am going to be extremely short. There are a few points I want to speak on this afternoon that were raised by the Opposition persons and I think it is necessary that I make my contribution in this regard.

First of all, let me preface what I am going to say by acknowledging the fact that opposition politics are exciting politics. Opposition economics and economic decisions are also exciting, in the sense that you can operate in an atmosphere in which you assume that all the resources are there, so anything that the Government, or the decision maker, or the party in power does, you can always do that plus something else. When you are in opposition what you have to say makes it very exciting, but we know in reality the world is not like this. We have to make choices, and very often in spite of the fact that the choices we make might not satisfy everybody, nevertheless we have to make choices and we have to live by those decisions we have made.

For example, this morning we heard the speaker from the Opposition indicate that a land use policy is necessary for us at this stage of our development. Mr. President, I could not agree with that more. I am sure in due course, as it is inscribed in the Manifestoes of the Democratic Labour Party, we will see a situation in which we have a reallocation of our land and a policy for the better use of our land in Barbados. However, we must bear in mind at this stage of our development that we have serious economic problems and, while dealing with the immediate problem we encountered over the last 2 or 3 years, it is necessary that certain things be held back for a little while. Bear in mind, whatever we do is a cost, a use of resources, and we cannot use our resources in one way and then wish that we had enough resources to use all over the place. So I believe, like the speakers on both sides, that a proper land use policy is necessary for the development of our economy.

Much has been said this morning about employment, and in particular employment in agriculture. Again, Mr. President, I suppose in every country in the world we are aware that there is unemployment. There is always the opposition politics that the young or the unemployed should be given land to work or some resource that is apparently not fully used. I think it is important in pursuing employment for youth to look very carefully

and ask ourselves some of the questions as to why we have arrived at a situation in which, in spite of the fact that we have a high proportion of persons unemployed, there are things in our country they are not prepared to do.

Our colleague, Dr. Alleyne, indicated this morning that young persons want to work in agriculture but they do not want to be labourers, they want to have their own farms. Mr. President, I agree with that. There are 2 kinds of agricultural systems that have ever succeeded in the world. One is where you have very cheap slave labour and the other one is where you have family farming or small farms owned by the persons who themselves are working. It is very difficult, looking through economic data, to see especially in modern economies times when younger persons do not rebel against working in agriculture for other people.

I agree that we have to look at ways and means of transforming our land so that some of the young persons who we presume want to find work in agriculture, may find the ways and means of owning or controlling the land for the time being. I am not sure that is the total answer, but I am seeing that it will go some way towards that, because agriculture in itself is a culture. I think therefore that we have to move a step back in our development and try to persuade, probably from school age, young persons that agriculture is not only about slavery and slave systems, but agriculture can mean something to them. In this regard I believe we have to make it beneficial, we have to have career prospects in agriculture. There is no point thinking that you will get a large proportion of young persons going into agriculture and just staying at the bottom of the ladder. In most employment you have career prospects and I think we have to develop that for agriculture.

Mr. President, one of the other indications, from what was said this morning, I want to address is the notion of market forces and how market forces are fashioning our lives today. If you look back into our development, you will see that from the 1960s until quite recently it was anathema for people to speak to economic problems and economic solutions by indicating things like privatisation or the use and ownership of private capital and profit maximising. If you had said that even into the early part of the eighties, that someone was in business to make profit, you would be seen as the villain. Today it is quite natural to speak of that. I have said that to indicate that economics and economic systems have changed very rapidly in the past 10 years or so. In the sixties we went through a system in which central planning tended to be the way to go. Now we have moved away and have gone in the other direction and we want systems in which market forces operate. If market forces are co-operating, if we accept the fact that in these market forces there are certain things that people do not want to do, that we want them to do, and

here I am speaking again of using agriculture as a base to extend our employment.

We recognise, whether we like it or not, up to about 3 years ago – it might not have been so this last crop – but in spite of the fact that there were some people unemployed, still there were certain jobs in agriculture that they were not doing. So we are saying that our culture which has evolved is one in which many of our young people do not want to work in agriculture as it is. Since we are losing central planning and we are leaving these things to the labour market to determine who goes into agriculture one way or the other, I am saying we have also to look at a way and a means of awarding those people who we want to go into agriculture, who we want to entice into agriculture in a way that is greater than we probably award other people. This is something I think we must do. I would hope that in the scheme of things – I know we are looking this afternoon at an incomes policy – but I do not think it makes a lot of sense to suppose that many of the young persons in our community will continue, or will go, or will be rushed into agriculture in any significant numbers unless we have incomes and also career structure in that system that allows them to earn a living and to be people who are seen as having status in our society.

Finally, Mr. President, in response to another point put by one of the Opposition speakers this morning, and this is in regard to the overlapping of the system, the merging of the 2 systems. Of course there is a lot of overlap, and I was amazed at the arguments put forward by both of the Opposition speakers, because if anyone argued more succinctly for a merging of these 2 institutions, it was certainly the argument put forward by the 2. Certainly we have to be mindful of the way how we use our resources. The time for waste in the resource use is certainly at an end and it seems to me that a fair amount of overlapping occurs in the 2 institutions. If you can cut out this overlapping and get the 2 institutions merged into one in which you have greater efficiency, then I can see this as a plus and not a minus. It is one thing to have hidden unemployment. It is another thing to open the system, look at the dead wood inside, take out the dead wood and make sure that what you have is a live, sound thing that is working satisfactorily.

Therefore, Mr. President, with those few remarks, I have absolutely no hesitation in supporting this Bill as it is. 2.25 p.m.

SENATOR THE HON. L. V. H. LEWIS: Mr. President there are very few matters which were raised by the Opposition Senators which have not been responded to. However I think the record should clearly indicate that whereas there was a comment about the delay of reports from both the ADC and the BMC my memory serves me

right during my tenure as Minister of Agriculture I believe that reports from the ADC going as far back as the year 1983 were literally almost dragged out of the bureaucracy of that agency and we were able to bring them up to 1989. In the case of the BMC it was a lesser period but reports were also in arrear and certainly they would have gone back to 1985 and we were able to get those updated to 1989. It is not as if nothing was done to try to get these reports up to date.

One of the problems of partisan politics is that whenever you think you are pointing a finger at somebody eventually you discover that you are pointing at yourself. So that if you make an accusation about Ministers on this side, it certainly also relates to Ministers from the other side who would have been as culpable in their inability to get the reports out of these statutory bodies. This is a perennial hazard of any Minister of Government.

I would like to place on record the fact also of my understanding of the role of a Minister and as far as I am concerned it does not include interfering with the day to day operations of any statutory body. The most a Minister could do is ask a Corporation through the Chairman to respond to certain initiatives that he may want. He certainly cannot go and give directions to any General Manager or Chief Executive of the Boards.

It seems to me that everybody in Barbados, except the Senators on the other side, know of the problems of the sugar industry that as far back as 1980/81 when sugar was in trouble the Government of the day in 1980/81 not only decided to prop up a failing sugar industry but they went to Parliament and legislated that loans would be raised to support the sugar industry and that Government would undertake responsibility for underwriting those loans to the extent that where the sinking fund could not meet interest charges on the loans and indeed when the time came for loans to be redeemed that the Government would put a raid on the Treasury and the Consolidated Fund, not only to meet the interest but also the redemption of those loans. That was legislation of 1982, before 1986 in case the Senators on the other side do not remember. That is what we are faced with now in 1993. That is a fact of life. That is not hearsay. So that whereas it is easy to get up in here and seek to malign persons on the other side the truth will come out sooner or later.

It is also known to the citizens of this country who own the majority of sugar lands in this country, who owe the Barbados National Bank most moneys and it certainly is not the ADC. It is true that the ADC in its efforts to do developmental work along with its normal schedule of operations has lost money and the Crown in its right of Government has undertaken to repay some \$22 million on behalf of the ADC. This was not accumulated between

1986 and 1993. It goes back as far as 1980/81 and is an accumulation of debts all down through those years. The Government realised that this foolishness could not go on and that it had to do something about it and they cut it short and urged the Barbados National Bank to take the action that any regular banker would take against the sugar industry and now BSIL was in receivership and now it is not in receivership. It is like Humpty Dumpty, up today and down tomorrow.

With regard to the ADC lands and the Scotland District I believe somebody has answered this already but again it is known that when because of the troubles of the Scotland District the farmers in that area were not able to do commercial farming on their lands the Government stepped in and bought these estates in order to ensure that people would continue to be employed in the areas of agriculture in the Scotland District, an act which any reasonable Government would take. Having done that they had to put it in the hands of somebody. The ADC received a responsibility to make bricks without straw. The fact is that the ADC lands were never ever giving the sort of return to make them productive and the ADC has been saddled with that.

We believe that the proposed plan for the Scotland District which includes the establishment of national parks in the area will attract the sort of investment and involvement that will cause a turn around for some of the people who live in the Scotland District area and it will bring some form of profitability based on the possibilities for tourism in the Scotland District area and this is something that the Government will have to pursue urgently as a matter of policy.

Senator Barker in the course of his presentation saw ponds and dams in the Scotland District but later on in his presentation he was also seeing water flowing into the sea and the Government doing nothing about it. Well they can't have it both ways. You either saw the dams and the ponds or you did not see them. If you saw them that is evidence that something is being done to brook the flow of the water which is running into the sea. And that is Government's position that it will seek to harness the water which is running into the sea and will try to utilise it as usefully as it can to the benefit of the land owners in the Scotland District.

I am not going to go down any road of discussing any of the questions which were asked, most of which do not bear any relation to the matter under consideration, nor will I respond to anything about cotton in this debate, except to say that the ADC, because the private land owners did not plant cotton the ADC found it necessary to make its lands available to two companies to grow cotton. Unfortunately there were a magnitude of infelicities which threatened

the success and caused the demise of CARSICOT and the \$9 000 000 that is owing to the Barbados National Bank is not really a \$9 million loss based on losses of cotton but it had to do with several other things including the purchase of items in the name of CARSICOT some of which never reached the shores of Barbados and about which one day the true story of CARSICOT will be told.

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

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

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

Mr. CHAIRMAN: The Senate is in Committee.

Clauses 1 to 30 inclusive were called and passed.

SENATOR THE HON. L. V. H. LEWIS: Mr. Deputy President, I beg to move that the First Schedule be the First Schedule to the Bill.

The question was put to the Senate and agreed to.

SENATOR THE HON. L. V. H. LEWIS: I beg to move that the Second Schedule be the Second Schedule to the Bill.

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

The Third Schedule was called.

SENATOR THE HON. L. V. H. LEWIS: I beg to move that the Third Schedule be the Third Schedule to the Bill.

The question was put to the Senate and agreed to.

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

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

ORDER NO. 2 - RESOLUTION TO APPROVE THE PAYMENT INTO THE SINKING FUND OF \$2 334 000 FOR MAINTAINING AND SERVICING THE FUND IN RELATION TO THE ISSUE AND SALE OF SECURITIES ON THE JAPANESE CAPITAL MARKET

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, the Resolution before us is seeking the approval of the Senate to establish sinking funds under Section 6(1) of the External Loan Act, Cap. 94D, for the Japanese Yen Bond Series C Loan which was raised under this Act.

By way of background information, which is also applicable to the next item on the Order Paper, which deals with the loan from Barclays de Zoete Wedd, Section 6(1) of the External Loan Act states:

"6.(1) A sinking fund shall be established for the redemption of each issue of securities made under this Act and the moneys necessary to maintain and service that fund shall be paid half-yearly in such amounts as are approved by resolution of Parliament."

Section 7 deals with fiscal agents and states that the Minister of Finance has the authority to appoint a fiscal agent for the management of the sinking fund and to determine the terms and conditions of each issue of securities. The Central Bank of Barbados is the fiscal agent of the sinking fund and manages it on the terms and conditions as set out by the Minister of Finance. The payments of principal and interest on securities are paid out of the Consolidated Fund by the Accountant General and the proceeds of the securities invested are used to redeem the loans borrowed under the External Loan Act, Cap. 94D.

In accordance with the External Loan Act, Cap. 94D, and the Local Loans Act, sinking funds are required for the issue of all securities, whether domestic or foreign. It is therefore necessary, Mr. President, to include under Section 6(1) of the External Loan Act, Cap. 94D, which deals with the establishment of sinking funds for the redemption of loans, the loans under the Japanese Yen Bond series.

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

SENATOR T. E. BARKER: I will be brief on this matter, Sir, because I am very glad to see that this Resolution has finally come to Parliament.

Certain remarks made by SENATOR T. E. BARKER were ordered by Mr. PRESIDENT to be expunged from the record at this stage.

Mr. PRESIDENT: Also, be mindful of the particular Standing Order which states that you may not now

debate a matter which has already been debated during this session.

SENATOR T. E. BARKER: Sir, I am debating the Resolution.

Mr. PRESIDENT: All right.

SENATOR T. E. BARKER: After I pointed out 6 months ago that there was no sinking fund, I am very glad that Government, in spite of the fact that I was harshly treated for my pointing out that the Government had sort of abolished the sinking fund, because up to September 1990 there was \$12 million in the sinking fund for foreign debt, as given by the Central Bank in their Economic and Financial Statistics. What I am a little worried about is the fact that the Minister is making it look as though they are now establishing sinking funds, when what happened was that the sinking fund was always there, they had used the money for purposes other than which it was intended for, and now they come 6 months afterward to redo what they should not have done in the first place.

I have no problem in supporting the Resolution and I want to impress upon Members on the other side that in spite of what may happen to me personally, any time I see Government acting not in accordance with the laws of this country, I am going to talk about it. I wish that Government, the same way they put money in the sinking fund for these 2 loans, any other loan which falls under this External Loan Act, must ensure that the sinking fund for that particular loan is also in place. It is a very important matter and a very serious matter, because I believe that Government has got to set the proper tone for management in this particular country. Any illegality by Government has to be condemned in the strongest manner. I only hope that now it is going to put over \$4½ million in the sinking fund for both this and the next Resolution that it will not be enticed to use it again in the manner in which it did in 1990.

2.45 p.m.

With those few words I want to support this Resolution.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, it is a little difficult for me to hear comments that are not related to a matter passed and not comment on it. The Honourable Senator did make comments about the absence of a sinking fund. The Honourable Senator does not know – maybe, or maybe he knows and does not understand, that the provision for sinking fund monies is usually made in the Estimates of this country at the beginning of each financial year. If provision is made in the Estimates for a sinking fund the monies have to be transferred to the sinking fund and the Government cannot use those funds for any other purpose. Therefore to say that

the Government used sinking funds for another purpose is not to understand the facts of the matter.

If funds were in the sinking fund they would have been used to redeem a debt that became outstanding at a given time. The sinking funds cannot be used for any other purpose and in any case, the movement of monies from the sinking fund is not done by a Minister of the Crown. It is not done by the Government. It is within the purview of the Central Bank of Barbados as well as the Accountant General who, I am sure, would not let something like that pass and the Auditor General would certainly comment on it.

My understanding and knowledge of the system, having worked in it, assures me that that is how it happens. Therefore it cannot be tampered with in the manner that the Honourable Senator suggests that Government would have interfered with it. I need say no more on that. I will let the matter rest there. I am not into any argument on the matter because I know what I am talking about and I am sure that the Honourable Senator on the other side does not know what he is talking about.

The question was put and agreed to.

ORDER NO. 3 – RESOLUTION TO APPROVE PAYMENT INTO THE SINKING FUND OF \$2 254 875

SENATOR THE HON. Dr. C. D. CLARKE: Thank you, Mr. President, this loan from Barclays de Zoete Wedd was contracted on December 6, 1990 in the amount of 30 million pounds sterling. The rate of interest on the loan is 13.5% per annum payable semi-annually and one amortisation payment was due December 6, 2015. This loan has a repurchase fund facility where 25% of the loan stock is to be held in foreign currency for a period of not less than 4 years.

The background information to this Resolution, Mr. President, is the same as the one in order No. 2 for the Japanese Yen loan. I therefore, shall not detain the Chamber in going into the same details for this measure. I beg to move that this Resolution do now pass.

The question was put and agreed to.

ORDER NO. 4 – SECOND READING OF A BILL TO GRANT ADDITIONAL SUM OF \$56 422 725 FROM THE CONSOLIDATED FUND

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, in moving the Second Reading of this Bill I would ask this Honourable Chamber to go back with me to during the period of the presentation of the Estimates of Expenditure for the year 1993-94 and also the Final Appropriation Bill for the year 1993. At that

time, Sir, I promised this Honourable Chamber that my Government would make every effort to ensure that supplementary measures are brought before this Chamber on a more timely basis rather than waiting for the end of a financial year when matters become somewhat stale. Due to the passage of time we will seek to have a way to ensure that debate is given in a timely fashion to supplementary provision. This is an attempt to do that by bringing the supplementary before this Chamber at this time.

I would hasten to add that although it represents an additional grant of \$56 million plus these funds are expected to be acquired out of savings from other items in the Budget. Therefore, the total expenditure level is not expected to be exceeded at the end of the financial year.

There is as an attachment a schedule which shows Head 15: Cabinet Office – \$355 000; Head 19: Ministry of Finance and Economic Affairs – \$3 921 302; Head 25: Ministry of Agriculture – \$1 377 147; Head 28: Ministry of Justice and Public Safety – \$4 217 197; Head 34: Ministry of Education – \$29 084 651 and Head 37: Ministry of Housing, Lands, Community Development and Culture – \$17 467 428 for a grand total of \$56 422 725.

Out of that amount, and this was the only other observation that I would like to make, \$22.176 million of that sum will be used for capital formation. That is, the expenditure of those funds, the items so acquired and the work so undertaken will have a life far exceeding the one financial year. It will be adding to the overall capital formation or investment, if you will, of the country. It is not to be read as a consumption item but as an addition to the capital formation of the country.

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

SENATOR T. E. BARKER: Thank you, Sir, I am glad for the first time the Senate has the opportunity to discuss a supplementary items of expenditure in a way that is meaningful because in the past we only discussed them after the year was finished and it did not make much sense at that particular time. I am very grateful for Dr. Clarke for ensuring that the matter comes before us in this way. No doubt when he goes back to his old hunting ground in the Ministry of Finance he will be able to put into action a lot of things that I have been telling him. I am sure, Sir, that we will all applaud him for doing good things in a way that we have not been able to applaud him for the past 2½ years.

Sir, I am not too satisfied with the Minister's hope that this \$56 million can be met from savings. He was not very forthcoming. He just mentioned that without telling us

exactly where the savings is going to come from because this \$56 million is about 5% or so of expenditure which seems to be quite a lot to come from savings. No doubt in a few months we will get the picture. I hope, Sir, he is right, because it is our country. In spite of the fact that the present Government is incompetent, we still want things done for the benefit of our country.

2.55 p.m.

Sir, I want to go to specific items as mentioned in the various Addenda and the actual Schedules to the Resolution. I notice that the Cabinet Office has asked us to approve \$355 000 more. I note that the whole amount is under Government Hospitality \$30 000 and Conferences and Delegation \$325 000. In the Addendum it points to the fact that of the \$1 million we had so generously given this particular Head only in March, just some 5 months ago, \$660 000 has been spent and \$244 000 has been allocated, leaving a balance of \$94 000. I have taken this straight from the Addendum. I wonder why it is that in the short space of 5 months the Government could have used up all of that vote.

We know, Sir, and I would not be unreasonable to suggest other, that Government Ministers have to travel. That is a fact of life and I would not come here and stifle my conscience on that matter, but there is always the question of the quantum. Why is it that in 5 months' time the vote has been almost totally exhausted? I would argue that it may be a question of too much too soon, and in any case I am not certain – and I am clear on this – that every time a Minister travels he is travelling for the benefit of the country. I am not certain of that at all. Some travel is essential. We know that, but very often a lot of travelling that has been done...

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I am compelled to set the record straight. All travelling by Ministers paid out of the Consolidated Fund is approved by the Cabinet of Barbados and on the return of the Minister from a trip a report is submitted. I think it is erroneous to send out that message, that people use Government's funds not to travel on Government's business. I do not think it should be encouraged, and Senator Barker should know better.

SENATOR T. E. BARKER: Sir, the Honourable Minister cannot say I should know better. The fact is, I said and will continue to say that all travel is not for the benefit of the country.

Mr. PRESIDENT: All right, Senator Barker. We sympathise with you.

SENATOR T. E. BARKER: Sir, I do not want your sympathy though, I just want rulings that are fair. That is all I want. I can do without sympathy. I am not here

looking for sympathy. I am clear on this, that every time a Minister gets up there and says he is going to wherever, very often a lot of them could be staying home, even although Cabinet approved the spending.

Certain remarks made by SENATOR T. E. BARKER were ordered by Mr. PRESIDENT to be expunged from the record at this stage.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. From the perspective of Senator Barker, he is in no position to make that statement. I have just pointed out to Senator Barker the methodology involved in Ministers' travel and the responsibility and accountability for such travel.

Mr. PRESIDENT: Senator Barker, you may proceed.

SENATOR T. E. BARKER: Thank you, Sir. Getting back to my point. At a time where we have record levels of unemployment, where the Government will not even tell us what the unemployment rate is for the second quarter, even although they probably know by now, because I have reason to believe that it is over 30%, but we will deal with the official figure of 27.1% for the first quarter. Do not let us speculate, but we know it has got worse. At a time when mothers are finding it very difficult to buy uniforms for their children for the week after next, at a time when a lot of mothers of primary school children have problems getting books for their children, for Cabinet to be coming at this time, 5 months after the original money was granted, to say that they overspent the vote of Conferences and Delegations is sending the wrong signal, especially when a Minister of the Crown says that whenever they travel they go and stay in suites and I have heard nobody denying that statement.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I have travelled for Government on many occasions and I have not stayed in a suite. More often than not I do not stay in a suite, for a matter of record.

SENATOR T. E. BARKER: Sir, I am very glad that he has taken issue with the Minister of Health on this matter.

Mr. PRESIDENT: That I shall not permit. Did you say he has taken issue with the Minister of Health on this? Did the Minister of Health state that he had stayed in a suite?

SENATOR T. E. BARKER: He said all Ministers when they travel stay in suites. He said that on radio, Sir, a public forum.

Mr. PRESIDENT: That all Ministers do?

SENATOR T. E. BARKER: That is what he said, Sir.

Mr. PRESIDENT: Well, you have heard the Minister clearly making his statement.

SENATOR T. E. BARKER: So then he is taking issue with the Minister of Health. I have no problem with that. He said that on radio, and if Senator Clarke is saying that is not true, then I am not the liar. It is the Minister of Health....

Mr. PRESIDENT: We do not have that sort of language in this Chamber.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, there is no Minister of Health in this debate in this Chamber. I do not know how any Minister of Health gets into debate in this Chamber. I think that any reference to any Minister of Health should be removed from the record.

SENATOR T. E. BARKER: You are not the President. Sir, the point is that....

Mr. PRESIDENT: Senator Barker, I resent that.

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

Mr. PRESIDENT: Senator Barker, you are on your feet and you are addressing the Chair and I resent that. You will withdraw that.

SENATOR T. E. BARKER: Sir, the point I want....

Mr. PRESIDENT: Senator Barker, you will first withdraw that.

SENATOR T. E. BARKER: I withdraw whatever you want me to withdraw. I have no problem with that, but the point is that the Minister of Health went on radio. I heard him.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. The Minister of Health is not involved in this debate.

SENATOR T. E. BARKER: Sir, we are talking about Conferences and Delegations. When a Minister travels, his hotel bill comes out of this vote. Therefore I believe I am on good ground in highlighting that, because we are talking about the item with regard to Conferences and Delegations. Whether a Minister stays in a suite or a room, the money is coming from this particular vote. Therefore, I believe I have a right to talk about that.

The point is, Sir, I am very glad that the Honourable Senator Clarke has disputed the Minister's contention

that all of them stay in suites, because I know it has created some sort of disquiet.

Mr. PRESIDENT: Senator Barker, you are repeating yourself. You have said this now for the third time. Proceed.

SENATOR T. E. BARKER: Sir, the point I want to make is that we have to be very careful what signals we are sending to the community at large, at a time when, according to the reggae singer, there is suffering in the land. I do not feel happy at all about coming now for an additional \$355 000 for Ministers to go and live it up big in suites, because in any case when Ministers travel to certain lands there are Embassies there. If you want to carry out interviews and so on, the Embassy must have certain places there that they can do it without having to resort to a hotel suite to do it, so there are a lot of problems there. I have a lot of problems there. Anyhow, Sir, I want to move on because I see that I have touched a rather raw nerve.
3.05 p.m.

Sir, I now move to a second item which is the St. Thomas Secondary School where, Sir, the Government has come to us for \$299 000 which was due to the contractor since September 1991 which has not yet been paid. Sir, I am reading from the Addendum that \$299 000 that was due almost 2 years ago is now being paid. I am very glad that it is being paid and I wonder if the Government ever thought about paying interest. I don't know who the contractor is but the point is that he would have incurred costs and so on so the Government should in all fairness, since they are paying him 2 years late to pay 2 years' interest.

Sir, I also have a problem because on that same Head the main contractor is to receive \$120 000 which is to pay for security, utilities and on site storage at the particular half finished school.

Sir, at a time when the Government is calling upon its people to make all sorts of sacrifices one wonders why we should be paying out this sort of money in this sort of way. Sir, we have been over the St. Thomas School on many occasions and all of us would agree that it is a national disaster and a national shame because a lot of money has been spent so far and this will happen because we saw it with the Hometown Complex which I will come to in a minute that whenever the project is restarted ...

SENATOR Dr. F. W. ALLEYNE: Mr. President, on a point of order, Sir. Senator Barker said all of us will agree. I object to that. He cannot speak for me because I do not agree with him.

Mr. PRESIDENT: Senator Barker, you will have to change that statement. You cannot speak for everybody.

SENATOR T. E. BARKER: Sir, the ones who have a social conscience would agree.

Mr. PRESIDENT: Senator Barker, I would certainly object very strongly to that. It is not a laughing matter, Senator Barker. You will have to correct that altogether.

SENATOR T. E. BARKER: Sir, most of us will agree that it is a national shame ...

Mr. PRESIDENT: You still cannot speak for the majority of us.

SENATOR T. E. BARKER: Sir, however you all want to put it ...

Mr. PRESIDENT: Not however we. It is your statement and I am saying you cannot speak for us.

SENATOR T. E. BARKER: Sir, I wish I could. Anyhow, Sir, the point is that I certainly agree that it is a national shame and a national disaster and I am sure that those who feel that public money should be well spent also agree that it is a national shame and national disaster.

Sir, what is the Government going to do about the St. Thomas School? We cannot afford every year to come and be paying money for security at a school when the St. Leonards School has to be looked at again and something must be done to alleviate the suffering of those children there and we have spent quite a few million at the St. Thomas School and we are spending more now to keep the school unfinished. That is what we are doing, Sir, when we have 2 000 children who are going to school in substandard conditions there in Richmond Gap.

That, Sir, is something that Government has got to look at. The Government has got to find a way to use the money they are spending on keeping the building unfinished to find a way of finishing the building. That is an imperative, a moral as well as a legal imperative. Get the building finished and let the children of Barbados make use of that building.

Sir, I want to move on to the Hometown Complex. Sir, according to my arithmetic \$2.3 million was the difference between what the project was estimated to cost and what it will cost now given that the project has been halted for a few years. So, as a result of bad planning, as a result of stupidity, the tax payers of this country have to pay an extra \$2.3 million to finish the Hometown Complex. This is something that we can't be happy about.

Sir, I have seen some mistakes since I came in here 2½ years and this one ranks among one of the best. You start a building

SENATOR THE HON. L. V. H. LEWIS: Mr. Chairman, on a point of order. A matter like this will be reported because the statement is made and the persons who are writing the report may not have seen the documents. The \$2.3 million the Honourable Senator is referring to is the difference between the expenditure as on a given date and the anticipated expenditure at the end. It has nothing to do with any increase as a consequence of any delay. I think the Honourable Senator could make his point but do not impute within the point something that is not truthful.

Mr. PRESIDENT: Thank you.

SENATOR T. E. BARKER: Sir, the Government has said the cost has escalated and that is incontrovertible, that is here. I say as a result of the interruption of construction the estimated cost has escalated. That is not my word, Sir, because I know my luck in here. As a result of the Government's bad planning we are called upon now. Money that could have been spent improving the country, money that could have been spent improving the roads, money that could have been spent developing water resources now has to go to Hometown as a result of the interruption of construction, according to this document. That, Sir, is what is here. That is nothing that I have made up. That is what is here.

Sir, I will be glad when the building is finished but Government has got to plan their life a lot better than this. You cannot start what you cannot complete. Even the Bible warns us against that. It says that before you build something you should sit down and count the cost. That is advice that we can well take heed to. The Government must take heed in future before it starts anything to make sure that it can finish it because both the St. Thomas School and the Hometown Complex is costing the taxpayers of this country enormous sums of money. But, Sir, I am not sure if Government will ever take heed because they have a singular inability to take good advice.

Sir, I now move on to Sherbourne. I am not unkind, Sir, but I will hasten to add that when the Prime Minister went to Rio a couple years ago he should have read his ode and sat down. But the idea of Barbados, a small country, using all of its resources to host some conference for which we were not ready given the fact that there are tight financial stringencies in effect, Government was in my view not well advised to offer to host this particular conference. We were not ready for it, we did not have the infrastructure in place. The result is that now the conference is almost upon us and with almost indecent haste we are now seeking to finish the Sherbourne Complex to host the conference. I am told that there is so much confusion, because one of the biggest problems so far is that no one yet has said when the conference will

take place, and it is causing problems, because it is obvious to one and to all that the Complex will not be finished in the advertised time in order to hold the conference, and Government is unable to give a firm commitment so that the planners can advance their work...
3.15 p.m.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. That is an erroneous statement. The conference is scheduled to take place in Barbados late in April of 1994.

SENATOR T. E. BARKER: Sir, all I wanted was a date and he told me late April. That is not a date. He cannot give us a date, but people have to plan things. The point is that the haste with which they are trying to complete the project is costing the country, and I am especially incensed that when 35 000 of our people are unemployed, including skilled masons, plumbers, electricians, because of the collapse of the construction industry, what do we find? That the Chinese, who come from a country that has recorded 12% growth rate for the past 2 or 3 years, are allowed to do the work and masons in Eagle Hall, plumbers in Waterhall Land and electricians in Station Hill cannot find work, but we are importing labour to finish the Sherbourne Complex.

Sir, I have nothing against the Chinese, I admire the Chinese. They have done remarkably with their country, but they are not going to have their workers unemployed and Barbadians working there. We should not be allowing this thing to happen. Then the Minister made a snide remark about the workers and said the only people who could get it finished are the Chinese, as though our workers do not know how to work hard.

Mr. PRESIDENT: I do not recall this as any reference by any Minister in this Chamber.

SENATOR T. E. BARKER: I read it, Sir.

Mr. PRESIDENT: We do not comment on what is stated in another place.

SENATOR T. E. BARKER: Not in another place, in the newspaper.

Mr. PRESIDENT: It does not matter as coming from another place.

Aside.

SENATOR T. E. BARKER: The Minister said the only people who could get it finished are the Chinese.

Mr. PRESIDENT: All right. Address the Chair. Go ahead.

SENATOR T. E. BARKER: Sir, it is something I feel extremely angry about. What makes it worse is that none of the labour unions in this country has spoken a word about the denial of work to Barbadian artisans. This Government said in the budget debate that they will start capital projects to ease the unemployment, but what has happened? They have started capital projects, but who are getting the jobs? Barbadians? Home drum must beat first, because in the final analysis the Government has an obligation to the people of Barbados. That is their primary obligation, to have policies and programmes to benefit the people of Barbados. What benefit is there when you are importing, not work that Barbadians cannot do, because we have been building for years, and our artisans have put up some very good buildings, and they work hard, and it is something we must censure Government for.

The Minister of Labour – no wonder he has to be changed – is going to laugh at the matter, but it is no laughing matter. It is a very, very serious matter. He does not have any sensitivity about the plight of the labouring classes. I do not know what can be done about the situation, but there comes a time where you have to be united in the protection of our national rights. It is true that the Government has borrowed \$5 million from the Chinese to help finish the project, but they have to pay it back. It is a loan. Because we borrowed money from them, does it mean that they should bring in their labour? As far as I know, Sir, it is not a gift, it is a loan and we have to pay it back. Sir, there is an old Barbadian saying that "day does run 'til night ketch it", so Government had better be warned.

Another matter, Sir. The Government is not going to finish the whole complex. We would expect that foreign TV crews will be down here for the conference. How is it going to look when next to a nice conference centre you have a lot of rotting steel? I am not sure that when the foreign press sees the glaring contradiction, I do not know how they are going to feel about Barbados...

Mr. PRESIDENT: Are you indicating, Senator Barker, that the entire complex should now be done at the same time? Is that the implication?

SENATOR T. E. BARKER: Sir, I am not telling Government how to run its business.

Mr. PRESIDENT: No. I am only asking if that is the implication.

SENATOR T. E. BARKER: I am just stating, I am not implying anything.

Mr. PRESIDENT: That it should all be done at once. Is that what you are saying?

SENATOR T. E. BARKER: No, I am stating, Sir, that it looks bad, that it is going to reflect negatively on Barbados to have the unfinished part. This is going out to the whole world and the sort of picture we send out is important. How the world sees us is important. What are they going to see? Rotting steel on one hand, and I believe the Complex when it is finished will look good, so on the other hand you will see a beautiful building. Everybody will know that the structure will have been abandoned, and this cannot be sending a good signal.

Mr. PRESIDENT: You are not implying, you said, that it should all be completed at once.

SENATOR T. E. BARKER: I am not implying anything, Sir. I am speaking. I am just stating facts. I leave the others to do the implication. I am told that the Government is also having problems, and there is a special project called the Village of Hope, which they want to shift now to June, I think this will be held at the Community College. My latest information is that whereas what was to happen was that the Village of Hope project was to run parallel to the conference, because of the inability of Government to make a firm statement about the readiness of the Sherbourne Complex, there is talk about shifting this project to June. What will happen is that you will not get the full benefits from the project if that happens, so there is a lot of confusion. I do not know how Government is going to get out of it. If we are doing something, we should always make sure that what we do would be to the benefit of the country so that when the press, especially the foreign press, come they will see a country in which there is at least some semblance of order. I am afraid with what is happening to this conference next year, the opposite is being bandied about and people are saying we are not ready. I don't blame them. This Government certainly is not ready, except to be thrown out. I want a firm statement from Government. As far as I understand, the Minister in the next few days before he demits office can give us a firm statement about the state of our preparedness for this conference next year. I think he owes the country at least that because he has been around for a long time and his contribution can only be measured with a microscope. So, at least he has a chance now in his dying days as a useful Minister to say something of benefit to the country. We will wait for that.

3.25 p.m.

Sir, I notice that the university at long last is getting the money that Government was in arrears for since 1990. They paid \$26.4 million there. Again I repeat what we said last time and we all know what happened, that the Government has got to state its position on university education past 1996. The Government has to state what exactly its policy is going to be after 1996 because so far it has only given a commitment up until 1996.

For those who are planning, the ones who are going into university next year in the 1994 term would still be at university at the expiration of the period of commitment which runs until 1996. Government has to come out and say: "Look this is our intention after 1996." So that people can make the necessary preparation because university education is ending between 3-5 years depending upon what course of study you are undertaking. So that is a matter of urgency.

Sir, I notice that the Barbados Community College is going to be allocated some money to set up the Institute to Study Democracy. This is a timely introduction for this particular course of study because never before was democracy under so much a threat in Barbados as it is now. I am sure that as our institutions are reeling under the impact of some rather strange decisions and strange practices we have to make sure that the people of this country understand democracy because the thing that they thought they understood has been thrown out of the window because of certain happenings. So I hope that the work of this institute when it gets off the ground would be available to the whole country and all the position papers and so on that they produce and maybe any books that comes out of the institute would be made available to the people of Barbados.

Sir, we are still wondering about the whole question of accountability in democracy because only this morning I was remarking on the fact that statutory corporations seem to be able to do what they like and they can flout the law with impunity and the whole question of accountability has got to be looked at again, who is accountable, because without it democracy is in serious trouble. So the Institute for the Study of Democracy has to look at this point and it also has to look at the whole question of the powers of the Prime Minister. I am not sure that the Constitution does not give the Prime Minister too much powers, especially as it relates to the fact that once he becomes Prime Minister even if all of the Members of the Lower Chamber have no confidence in him he still has the power to advise the Governor-General to prorogue Parliament and call fresh elections. Sir, I have been told – I don't know how true it is – that that was used in a certain country not too long ago. It is the sort of thing that we need to look at to see that we are not creating a monster when we anoint a person as Prime Minister.

So the Institute has a lot of work to do and the money, almost \$1.3 million, if the Institute is functioning properly, the \$1.3 million would be well spent because if it is one thing that we have to do is to preserve our democracy. Even with it, we see people behaving in a certain manner. Just think if there were no structures what would happen. They would run riot. So we need to make sure that the people in Barbados are thinking about their

democracy. It is too precious a commodity not to be studied in detail. While I am on this point, Sir, I think that there is an urgent need for a Constitutional Review Commission to look again at our Constitution because there are certain aspects of it which need to be tightened as we go into the 21st century.

Sir, I am very glad that the Minister of Agriculture is getting some money to help him carry out his work. I am all for Agriculture but I hope the money will be well spent because I note they are getting something like \$1 377 000. I notice that it is for a lot of areas including the Scotland District Development Project. That is something I will always talk about and I am glad Government is putting some more money into it. It needs more than money. It needs commitment and the Minister of State in the – what is he now? Oh, the Minister for NAFTA...

Mr. PRESIDENT: The Minister... What did you say?

SENATOR T. E. BARKER: Sir, the Minister with responsibility for NAFTA.

Mr. PRESIDENT: What is NAFTA?

SENATOR T. E. BARKER: The North American Free Trade Association.

Mr. PRESIDENT: Thank you.

SENATOR T. E. BARKER: Sir, he highlighted the fact that I talked about dams in the area and then talked about the water run-off. It is true that there are some dams but there are not enough. Government needs to start building more dams. And, Sir, while we are on the Scotland District I believe that we have to look again at the whole...

Mr. PRESIDENT: Speak a little more slowly. I lose sight a bit of what you are saying. Go on so that we can understand you.

SENATOR T. E. BARKER: I was saying that I believe there is potential for inland fish farming in Barbados. There was a tilapia project. I don't know what happened to it but it is something that we need to look at again and we can explore the possibility of raising fresh water shrimp or something like that in the Scotland area. When we spend money down there we have to make sure that we get some sort of returns on the investment. It is not only a question of putting down roads and doing this, but we must at all times integrate physical development either with agriculture or fishery production.
3.35 p.m.

SENATOR Mrs. V. C. FRASER: Mr. President, on a point of explanation. Senator Barker has mentioned

this about twice today, the whole question of aquaculture. There is now an Aquaculture Association in Barbados, there are quite a few people who are doing aquaculture and it comes under the aegis of the Barbados Agricultural Society.

SENATOR T. E. BARKER: Sir, I am always grateful for helpful interventions, although I do not get too many of them. I want to thank the Honourable Senator for enlightening us, but she will agree that more needs to be done. We need to expand these projects.

So, Sir, with those few words – and I underline few, because I have not exhausted my hour, as you will note – I have ambivalence about this Resolution and I will wait until the end of the year. I will take Dr. Clarke at his word, especially now he is going into the Ministry of Finance...

Aside.

SENATOR T. E. BARKER: Economic Affairs? Oh, they cannot find anywhere to put him? When March comes and we see the Estimates I want to see whether or not this \$56 million which he claims is going to come from savings will in fact come from savings, or if we will not have the situation where the Government has to finance their spending probably resorting to things like increasing the overdraft beyond the limit and so on.

Thank you, Sir.

SENATOR Dr. E. A. SIMMONS: Mr. President, it seems to me that every time in this Honourable Chamber we have to deal with a Supplementary, which as I understand has been a routine thing for years, there are some very interesting points that have been coming out.

Senator Barker in his contribution ranged far and wide and made quite a few unsubstantiated statements and I thought that in the interest of the party to which I belong I could not allow his contribution to go without bringing some balance to some of his comments. One of the latest comments he made was the importance of developing a shrimp industry. I want to remind Senator Barker that in 1976 this country had a vibrant shrimp industry.

SENATOR T. E. BARKER: On a point of order. I was talking about inland fishing. I specifically mentioned inland fishing.

SENATOR Dr. E. A. SIMMONS: Mr. President, if I may continue, I want to remind Senator Barker, because sometimes we tend to forget, and I think that when statements are made in order to bring balance to it we need to jog people's memories. In 1976 we had a vibrant shrimp industry earning foreign exchange, and those shrimp boats

were sold and converted into battle ships and all the people in the shrimp industry lost their jobs. I want Senator Barker to remember that.

Senator Barker talked about the Institute of Democracy and democratic institutions in Barbados. I want Senator Barker also to remember that there are international institutions which measure democracy in all of the countries in the world. Barbados always ranks among the most democratic countries in the world. As a matter of fact, the only time within the last 30 years that Barbados has slipped from its first place was not when the Democratic Labour Party was running this country. It had slipped down a peg at one time, but not during the time of the Democratic Labour Party, and you can go and read the international reports and see what I am talking about. Therefore, it is very important, because in the developing world one of the most fundamental things being discussed is democratic institutions. As a matter of fact, the developed world is making a condition to giving aid on democracy, and Barbados has been in the limelight. Barbados is used in international institutions as a paragon of democracy, therefore I think that the move to set up an Institute of Democracy is a very important one. I have said time and time again in this Honourable Chamber that Barbados has to play a very important role in the democratisation of not only other Caribbean countries but developing countries, and I think that this move is a very significant move.

Senator Barker obviously is very, very concerned about Sherbourne. As a matter of fact, he was so concerned that he said that when the conference starts in the beautiful building, what he is concerned about is not the beautiful building that will be finished, but the unfinished part next door. Senator Barker must admit that we all understand that if you are moving into tourism, you are moving into a service sector, one of the fundamental things you must have is a proper conference centre. He understands that.

Aside.

SENATOR Dr. E. A. SIMMONS: He says not in Two Mile Hill. You must have more than one conference centre, so you cannot put all of them on the west coast.

Aside.

Mr. PRESIDENT: Senator Barker, I will not have these constant interruptions. There must be a certain even-handedness about this, you see, so I made sure that you were not interrupted on the other side. Therefore, you will not be permitted, you understand, to interrupt Senator Simmons. Senator Simmons, you may proceed.

SENATOR Dr. E. A. SIMMONS: Thank you, Mr. President. I understand the Opposition's concern about

Sherbourne, because they recognise the potential of Sherbourne. If they can do so much as to stop the completion of Sherbourne, it would be in their best interest.

SENATOR T. E. BARKER: Sir, the Honourable Senator must not...

Mr. PRESIDENT: What do you rise on?

SENATOR T. E. BARKER: On a point of order. Sir, I want him to withdraw that. He is imputing improper motives. We want our country to develop.

Mr. PRESIDENT: I determine if it is an improper motive or not. Thank you.

SENATOR T. E. BARKER: Even-handedness.

Mr. PRESIDENT: Thank you, Senator Barker. So make sure you do nothing to interrupt unless it is a genuine point of order. Therefore, Senator Barker, I repeat I will not have those interruptions. You may continue, Senator Simmons.

SENATOR Dr. E. A. SIMMONS: Thank you, Mr. President. Senator Barker also talked about the stoppage of things like the Police Station and the St. Thomas School. We know that these projects were stopped last year, or the year before, when the economy went sour, but stoppage of programmes is nothing new to Barbados. This happens all over the world. When the economy goes bad sometimes you have to stop a project in order to save money to conserve what is going on. If you look at what is going on in England and France, they have been building the tunnel from France to England for the last 10 years, and every year it is to be completed they put out more and more money. These are things that happen, and I am surprised that Senator Barker, who is a well known economist, cannot see these things sometimes from an economic point of view rather than from a purely political point of view.

The other point which Senator Barker keeps raising all the time is the situation about the St. Leonard's School. He has said in here before that the children should be transferred from the St. Leonard's School to the St. Thomas School. I think that is the basis of his philosophy. He also said that the situation at St. Leonard is substandard. I take objection to that, because we have addressed this issue already. Let me say, Mr. President, that of all the Caribbean countries Barbados has the best educational facilities. I am not saying that only because I am Barbadian, but anyone can tell you that there is no other Caribbean island that has better educational facilities, in terms of structures, than exist in Barbados. Furthermore, Barbados I think is the only Caribbean island which is at this time able to provide a place for all the children leaving

elementary school going on to secondary school. There is no other island that is doing it. So although we need to be critical sometimes, we must not be so critical that we tear our own country down. We have to be careful about that. The role of the Opposition is to criticise, but do not let us do it in such a way as to belittle ourselves.

That brings me on to the final point I want to talk about, this thing about travelling. I say this not to boast, Mr. President, but I do not think there is any other person in the Upper Chamber or in the Lower Chamber that does more travelling than I do.

Aside.

SENATOR Dr. E. A. SIMMONS: I know the taxpayers do not pay for it. The point I am making is this, that if we want to interact in a world that has now become a global village, we cannot sit in Bridgetown and interact with international institutions. The institutions do not come to us, we have to go to them. I do not want to dwell too much on when Ministers travel what they do and what they do not do, but I want to remind Senator Barker that I know for sure that there were Government officials, politicians, who left Barbados in their time and went to meetings and never left the hotels while the meetings were going on, and they stayed in the most expensive suites.

Let me say this about suites. Do you really expect to send a Minister to have discussions with people of a certain calibre in the world and invite them into a little ante room to have discussions with them?

3.45 p.m.

We have to understand what we are doing because the organisations which I represent provide a suite for me and when I have to entertain delegations I entertain them at the suite and as you say that is not out of Barbados' money but they understand that if you have to operate at a certain level there is a certain infrastructure in which you must operate because no serious business person or Government official is going to expect to come to a Minister of Government when you arrive, let us say in Paris and expect you to be coming out of the back of a plane holding your own luggage. We have to understand what international protocol expects of people who represent their countries. When we run this country we are not running a bread and fish shop. We have to be serious about what we are doing and people expect certain standards and when you arrive at a conference expecting to represent your country and you arrive in a certain way people do not look at you anymore because they expect certain standards of you. I say that because we have to understand that whereas we must have a little political juggling here and there do not let us play ourselves cheap and that is what I find coming through. I remember clearly that when the Prime Minister of this

Island had to go to the meeting in Zimbabwe lots of criticisms were made. After that criticism was made in this Honourable Chamber when we discussed the Bill on the Met Office and there were recommendations coming out from that same meeting in Zimbabwe I heard Honourable Members say that if we had had a better delegation there we would have had more information. You cannot have it both ways. You cannot say you should not go to a meeting and then when important decisions coming out of the same meetings are taken come back and say that you were not represented. You can only know what is going on in the international arena if you have a physical presence and since international decisions which are taken are going to influence what happens in these countries in the near and distant future it is absolutely important that Barbados has representatives who can go to these conferences and represent them.

The matter is not whether a Minister travels first class or second class as far as I am concerned, the question is if when the Minister or the representative gets there if he works. That is the fundamental thing and from my recollection, from what I can ascertain from the number of Barbadians in political life in Barbados who are holding very senior positions in international organisations it tells me that the people who are travelling on behalf of Barbados are doing their work because you do not get elected to positions of prominence in international organisations if you travel from here and go in a hotel and sleep and do not attend meetings. You have to attend and you have to make meaningful contributions so that you can be recognised and people believe they can put their confidence in you. I hope that once and for all we get out of this silly nonsense about how much money is spent on travel. We have private sector organisations who have people travelling up and down every week just to sell motorcars and if we are in the business of running this country and we must run it efficiently we must interact with international institutions and we must have the best people representing us and we must make sure that they live in proper conditions.

Mr. President, I get on a plane from Barbados and travel to Brussels which takes me almost 24 hours and when I get off that plane very often I have to go in immediately into a meeting and meetings that last for a whole day. You expect me therefore to sit down in an economy seat with my feet cramped up where I have to do work on the plane and have a nap on the plane before I arrive next morning and get off the plane to do work immediately after. When the meetings are scheduled the people expect you to come prepared. You don't have any time. We do not have the resources to go and spend 2 or 3 days before a conference so when you get off the plane you have to be able to work and if you have to be able to work you have to travel in comfortable conditions and we

tend to play ourselves too cheaply and I think it is bad signal that we are sending to the public out there and it is time that we become mature enough to deal with the things that are serious in this country and leave out the little minute things that are not important. I thank you, Mr. President.

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: Thank you, Mr. President. In winding up the debate I thought that Senator Barker would have appreciated the attempt to bring these supplementaries before him in a timely fashion. Before I get into my response to his observations I would remind Senator Barker that I am still on the team, the Cabinet of Barbados, and I wonder if Senator Barker will tell us what the new team is like on the hill at Cave Hill.

On the question of the expenditures under the Cabinet Office the sum of \$1 million was provided in the Estimates. Expenditure to date \$702 000 rounded of which, and this is the point I wanted to make, of which of that \$702 000, \$328 000 just under half of it went for the travel of officials. It is a common belief in this country that all the travelling done is done by Ministers. When Ministers travel they travel with officials and more often than not officials travel when Ministers don't travel. I just want the record to show that of the provision of the expenditure to date nearly one half of the \$702 000 expended at the 25th August, \$328 000 went for official travel.

On the question of St. Thomas school we have just sought to increase by means of supplementary provisions, expenditures, and I gave the assurance to this Honourable Chamber that savings would be affected to equal the additional expenditure. Senator Barker is complaining and questioned whether or not the savings would be affected. But yet on the other hand he expects this Government to continue expenditure on the St. Thomas Secondary School. I do not quite understand. Do you want us to incur the expenditure or don't you want us to incur the expenditure? You just cannot blow hot and cold on these issues.

Turning to the question of Sherbourne. I informed this Chamber, Mr. President, that the Conference is scheduled to take place in Barbados during late April of 1994. There is a Conference, the Prepcom Conference taking place next week, which Senator Lewis will be attending and it is hoped at that time that a firm date will be given for the conference.

As far as we are aware there have been no official communications to us indicating that there are any problems at all with the date or with the facilities which we are putting in place to host the conference. Furthermore, and here it is, Mr. President, it is unfortunate that

in adversarial politics that we have to deal with these sorts of nonsensical issues. I am sure that Senator Barker is quite capable of doing much better than this. When he talks about spending money on the Sherbourne Centre, while at the completion of this we expect by April 1994 to attract over 2 000 people to this conference...
3.55 p.m.

Aside.

SENATOR THE HON. Dr. C. D. CLARKE: We expect at the completion of the centre to have 2 000 people here for the conference. We could extrapolate how much money that will bring into the Barbados economy in terms of ground transportation, meals, hotel accommodation and also the purchase of souvenirs.

We have to be careful, because today the Government of Barbados goes on irrespective of the party that happens to be holding the reins of office at any particular point in time. The Chinese have been extremely considerate in terms of the loans made available to this country – the loans for the gymnasium and for the complex – at concessionary rates. We debated them in this Chamber and for us to sit in this Chamber and give the indication that the Chinese have done nothing and that we are squabbling about getting a project done, when we want to have it done on time, is really most unfortunate.

SENATOR T. E. BARKER: On a point of order, Sir. I never said the Chinese have done nothing. My argument has been that with so much unemployment it is not right to have Chinese labour at the exclusion of Barbadian labour. Do not misquote me.

Mr. PRESIDENT: Do not threaten us. I have heard you.

SENATOR THE HON. Dr. C. D. CLARKE: Thank you, Mr. President. We must be careful as a Government and as a Parliament as to the messages which we send to our foreign friends, especially those who have been making significant financial contributions to our overall capital projects. This is not a matter of fun and games, this is a matter of Government to Government and we should not make light of these relationships. It is the height of irresponsibility for some of us to react the way we do to these measures.

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

The question was put to the Senate and agreed to.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, this Bill has been certified as a money Bill and I therefore beg to move that this Bill be read a third time.

The question was put to the Senate and agreed to.

SENATOR THE HON. Dr. C. D. CLARKE: I beg to move, Sir, that this Bill do now pass and be cited as the Supplementary Appropriation Act, 1993.

The question was put to the Senate and agreed to.

ORDER NO. 5 – RESOLUTION TO NOTE AND APPROVE THE PROTOCOL FOR THE IMPLEMENTATION OF A PRICES AND INCOMES POLICY IN BARBADOS

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, this Resolution seeks to give effect to the Protocol which has been negotiated between the social partners, that is, the Government of Barbados, the employers' representatives and the workers' representatives.

The broad principles which have been set out for the Prices and Incomes Policy for Barbados and agreed to by the social partners are as follows:

1. The Prices and Incomes Policy shall have as its basis for existence the following major objectives:

- (a) the safeguarding of the existing parity of the rate of exchange, recognising that any deterioration in this rate, will lead to a significant reduction in the living standards of the vast majority of Barbadians;
- (b) the expansion of the economy to satisfy the need for improved competitiveness; to provide the right of access to employment; to reduce the threat of social dislocation caused by an unacceptably high level of unemployment; and thereby to ensure the security and well-being of the community as a whole;
- (c) the establishment of an environment which will bring Barbados' goods and services into a more competitive position at home and abroad;
- (d) the promotion of mechanisms which, within this search for a competitive position for Barbados, will achieve restraint in wages and other compensation payments as well as prices;
- (e) the restructuring of the economy on a sustainable basis with opportunities being

given for workers and employers alike to make a greater contribution to planning and redevelopment and also to share in the fruits of that improved economy;

- (f) the promotion of a national commitment to improved productivity and increased efficiency so that by reducing wastage and by enhancing national performance the country will be able to heighten its attractiveness to investors, thereby further extending the opportunities for employment.

2. In seeking to attain these objectives the Social Partners accept and agree that:

- (a) the climate for a Prices and Incomes Policy must be based on mutual respect and on a clearly definable national commitment;
- (b) they will establish a framework which protects workers' security of tenure and seeks to reduce labour disputes;
- (c) labour shall not be required to vary the benefits and conditions which it currently enjoys, unless it is for immediate general improvement, or by any such variation labour assists in effecting the long term improvement in the conditions of those employed and creates jobs for the unemployed; and
- (d) any protocol which seeks such labour market changes must be based on a greater understanding, one by the other, of the relative positions and interests of each social partner, and must be pursued by the full and adequate sharing of relevant labour market information, and by genuine discussion and participation in decision-making. Those are the broad objectives and the areas of agreement between the parties.

4.05 p.m.

I don't want to read the whole document. I therefore beg to move that this Resolution which has been circulated do now pass.

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

SENATOR Miss M. A. MOTTLEY: Mr. President, I apologise for taking Senator Barker's place but I had an urgent call.

Mr. PRESIDENT: Do you give way to Senator Mottley, Senator Barker?

SENATOR T. E. BARKER: Yes, Sir. No problem.

SENATOR Miss M. A. MOTTLEY: Sir, the Government of Barbados earlier this week made a great deal about this protocol which was signed between itself, the representative for the employers of Barbados and the representative for the unions. What was clearly articulated as well was that this protocol was the result of Government being forced to amend its position from the original position that was advanced, through the circulation of certain documents, during the course of the month of July, in relation to an incomes policy – not a prices and incomes policy – that carried with it the establishment of a productivity board with a number of sanctions being left within the law to deal with those who would not yield to what was being proposed.

There was a great deal of backlash, Sir, and criticism, primarily most of which came within the first week from the Opposition, the Barbados Labour Party through 3 various spokesmen who clearly showed that any incomes policy that was proposed at that time to be one which would be legislated that the Government would have the utmost difficulty in effecting such. Indeed, Sir, it is our contention that apart from the fact that Government could not get the numbers to support its own programme that it had to shift its position and it has arrived at what we have been served with and what has been called the Protocol for the Implementation of a Prices and Incomes Policy.

It is my contention, Sir, that what we are being asked to debate here today is almost not even worth the paper that it is written on, primarily because the extent to which it is being based, and the intentions which it is designed to achieve, are on a false premise. Government has articulated once again that it has needed this incomes policy and it is hoping that this will resurrect Barbados in terms of the competitiveness of its goods and services. It is my submission that to the extent to which Government has proceeded by bringing this protocol (of which I will deal with the voluntary nature afterwards and the inability to effect any successful prices and incomes policy shortly) to the extent to which Government says that this is needed to help enhance the competitiveness position of Barbados insofar as Barbados' goods and services are concerned, I am saying that Government is deceiving this country by not ensuring that other things which are more relevant and necessary to achieving the competitive nature of our economy are put in place.

By that, Sir, I refer specifically to the reform of Government's indirect taxation structure which has accounted for more increases in cost of production than any other factor on the cost of production, whether that be

wages or prices or whatever else. In other words, the increase in wages over the last 5 years has been minimal when compared to the increase in Government's indirect taxation in the last 2 to 3 years. Even if we look at the consumption taxes alone and I am only talking about the last 2-3 years where it has gone from a rate of 17% to 29%. Remember, Sir, this is in the context of an 8% wage cut for 18 months. It is also in the context of general acceptance that any wage increases, if they were to be, would be of a minimal nature and also in the context that at the end of the day Barbados really does not suffer. While its inflation has increased within recent years, it is still not excessive inflation compared to most other third world economies.

In the context of that, Sir, where your prices are still reasonably stable, while you are suffering from inflation, it is not hyper-inflation. In the context where your wages have remained more or less within the same ball park but in the context where Government's indirect taxation structure has led to the fact that those who are producing are paying far more for the inputs to their production whether it be the raw materials, the cost of energy or whatever other inputs are subject to Government's taxation policy. Even if we take just energy alone we would see that when Barbados' energy costs, unit costs in relation to energy are compared to other CARICOM territories that we are by far at the highest levels within CARICOM.

When we compare the other factors that in relation to goods being imported from other parts of the world in terms of raw material that the cost to a producer in Barbados is escalated greatly by the various levels of indirect taxation that are being put in place.

Now, Sir, that deals with the whole question that I am saying. We are asking people to make a sacrifice on a false premise knowing full well that unless this is done by Government the intended goal of this protocol cannot be achieved; that we cannot enhance the competitive nature of our productive sectors unless we are prepared to put into place that reform of the indirect taxation structure. It is something that the Barbados Labour Party has been calling for the last 4-5 years and Government has still not heeded. In fact, if we look at the cruel irony and the folly of it, that while Government has increased the rate of taxation so much of its revenues have declined significantly, leading to the inescapable conclusion that the increased cost of taxation has been contributing to the economic woes of many industries and businesses which have since had to close their doors because of their increased costs of operation.

Insofar as that is concerned, I therefore state that the Government of Barbados is raising expectations in people's minds with a lot of fancy talk, a lot of fancy signing in and a lot of fancy historical talk and what is in effect, whether

for the Prime Minister or for the Minister of State in Finance who is now to be the Minister of Finance, a pyrrhic victory but, Sir, there is an old saying that time is longer than twine. Unfortunately, we will have to go through the process of time before we see that this will have no effect unless Government is prepared to put those matters in place.

In fact, Sir, it is interesting that the leader of the private sector delegation who signed the Protocol went on record as making that same point. So it is not a point of view that is peculiarly held by the Barbados Labour Party. It is held by a cross-section of the producers. It is even held by the same unions. It is even put in this document at some stage but then again as I read through the document I wondered to myself what sanctions are we going to use against Government if they do not put this taxation structure in place which is supposed to benefit the protocol. A tax regime that is established by Government which supports the objectives set by this protocol at page 7 of the protocol.

What sanctions are there going to be levied against Government? There are no sanctions against Government so to that extent, this means nothing. It is like Government telling the university for the last 3 years that it was going to pay its dues and yet today we had to approve \$26 million in a supplemental for Government to pay the University its dues. Government's word means nothing. That is why the University could tell people that they had to pay fees because Government was not paying their fees. All last week and week before students were hustling and panicking all over this country.

I am saying, Sir, that at the end of the day this is clear support for the fact that Government needs to reform its indirect taxation structure and that no promise to do it by including it in a protocol is sufficient and that in the same way we have been forced here to do this protocol prior to the close of the month of August to meet a World Bank and IMF deadline to be able to draw down \$20 million from the World Bank that this is part and parcel of the same agenda that includes the trade liberalisation, the merger of the BMC and the ADC, and also the restructuring of the National Bank with the amendment to the Local Loans Act. All of this is just to satisfy Government's timetable that has been charted for them from Washington, D.C.

4.15 p.m.

I am saying that the ignorance and the folly of this is also this, that if who was in charge of the Ministry of Finance had any real knowledge of Barbados' economy and its structure, they would know that Barbados has had an effective incomes policy in place for the last 50 years, since the emergence and growth of the Unions. They would know that when they start to talk about this Productivity

Board we are now going to be asked soon to approve of the legislation for its formation, that the Productivity Board is being called to do nothing more than what the Labour Office had been designed to do for the last 50 years. But, Sir, that comes from an abundance of ignorance from those in whose hands the negotiation process lies. Had they been aware of that, Sir, they would have told the international institutions we do not need that. We had mechanisms within the structure of our economy that can deal with those issues, and have been dealing with them for nearly 50 years. But, Sir, never see, come see. When the same people who have no basic knowledge negotiate, they come back and agree to everything purely because what they want they want so badly. That is what you get for your back being so much in a corner that you really have no room to manoeuvre.

Sir, then comes the spectacle of how does the public of Barbados primarily learn what was happening in respect of this Protocol. I find it a little hard to swallow that the Unions of this country were the primary ones through whom we learnt of the progress of what this Government is calling a national document, a national protocol that excluded even consultation with the Opposition, but it was national. The Minister of State in Finance was careful. He said this is not a Government protocol, or Government's protocol with the private sector and the Trade Unions, this is national. It is national, but the Opposition saw it for the first time on Tuesday afternoon. That is the extent to which it is national, and then you want to discount that the Opposition, which is a viable entity, a viable social partner, that on the basis of the last election represents at least 44% of those who voted in this country, but yet no consultation. That shows the extent to which Government really does not expect it to succeed. Had they expected it to succeed they would have secured, or tried to secure, the co-operation and the endorsement of the Opposition.

I think Government knows full well that any talk about a Prices and Incomes Policy in Barbados being voluntary at this stage is a waste of time, one that is gauged in the manner in which this is gauged. As I said, there is nothing wrong with an incomes policy. All Governments in Barbados at some point or another have practised some form of an incomes policy, but the manner in which this is being presented, the salvation which this is being heralded to bring, and the fact that it is being tied to the prices policy supposedly so that the Union leaders can assuage the concerns of their members – but I ask the question whether the Union leaders have told their members that it is difficult in any economy, like that of Barbados, where your prices can be affected so extensively by external factors to have a successful prices policy, and in any event whether they were satisfied that the leader of the private sector organisations had in fact been speaking with the mandate of all businessmen in this

country, small businessmen right back up to the large employers, Sir, so that when it comes to the whole question of pricing and indeed of the professional organisations that are also supposedly subject to this Protocol, so that indeed he was speaking with their authority that they would bind themselves to this Protocol or to the intentions of this Protocol, we have had no such assurance.

In fact, Sir, it is interesting to note that there is an advertisement for the private sector organisations to meet on September 2. One would be interested to find out whether that is now to inform those who are involved in the exercise what is going to be required of them. I say at the end of the day there can be no true voluntary agreement unless each and every one of us knows what we are agreeing to. If the Opposition, one of the major representatives of popular opinion, as well as a section of this society were unaware of it up until Tuesday afternoon, I find it difficult to see how it can be deemed as a national consensus. I say that what we are in effect seeing in any event can almost be described as similar to that of a eunuch. Indeed, Sir, that is probably why the Government allowed the Unions to articulate it over the last few weeks instead of they themselves articulating it to the public.

I would just like to read into the record an article by Harry Johnson – Notes on incomes policy and the balance of payments – taken at page 275, Sir.

Mr. PRESIDENT: Who is Harry Johnson?

SENATOR Miss M. A. MOTTLEY: An economist, Sir.

Mr. PRESIDENT: And what are you reading from?

SENATOR Miss M. A. MOTTLEY: He is a world famous economist, Sir.

Mr. PRESIDENT: What are you reading from? Would you like to make this a document of the House?

SENATOR Miss M. A. MOTTLEY: Yes, Sir, I am making this a document of the House. It is the photocopy of an article – Notes on incomes policy and the balance of payments – from a book called Incomes Policy and Balance of Payments:

"A national incomes policy for a country maintaining a fixed exchange rate therefore makes no sense, if the policy is defined on the conventional lines of seeking to maintain price stability..."

SENATOR THE HON. L. V. H. LEWIS: Before we admit any document coming from out of the air or falling off a truck, Mr. President, I would respectfully like

to discover the publisher, the publication it was printed in, the country in which it was published.

Mr. PRESIDENT: Senator Mottley, will you kindly provide us with the information?

SENATOR Miss M. A. MOTTLEY: Sir, I am prepared to get the book from downstairs for you and I will use the quotation if the Chair so allows me. Then again, I appreciate Senator Lewis' concerns about anything falling from the back of a truck. I know he would appreciate that, Sir.

Mr. PRESIDENT: No, I do not appreciate that.

SENATOR Miss M. A. MOTTLEY: I do not know what the Chair is talking about, Sir.

Mr. PRESIDENT: I do not understand what you are saying. You said you will provide us with the publication.

SENATOR Miss M. A. MOTTLEY: Yes, Sir. I have sent for the book, since the Chair wishes to be unusually restrictive.

Mr. PRESIDENT: I resent that. The Chair is not unusually restrictive.

SENATOR Miss M. A. MOTTLEY: Sir, unusually restrictive in this regard, since other Members in here have quoted without reference as to whether the documents fell off the back of a truck or otherwise.

Mr. PRESIDENT: You will withdraw that remark. The Chair is not being unusually restrictive.

SENATOR Miss M. A. MOTTLEY: I am sorry, Sir. The Chair is being usually restrictive. I apologise and I welcome the Chair's correction. It is my contention that a prices policy cannot be successful in an economy such as ours. As I have said, apart from the fact of the nature of the small open economy, we also suffer from the fact that I would like to know what sanction we are going to use whether a small shopkeeper in Brereton or a large employer in Bridgetown decides that he is not participating in this. And, Sir, a Manifesto of a political party where there is no sanction once again attached thereto as we have known has been breached in this country time and time again and, more particularly, the one most notorious for that breach of social contract is the 1986 Democratic Labour Party Manifesto which the Members of the Government openly admitted that they were departing from because they were saying they were not part of it even though their signatures were on it. I want to know, Sir, whether members or employers in Barbados will say the same thing that they are departing from this protocol because their signatures are not on it – although the

difference is that the members of the Democratic Labour Party who were in Parliament, their signatures at least were on that Manifesto.

4.25 p.m.

SENATOR THE HON. L. V. H. LEWIS: On a point of order, no signatures of any political personnel go on any Manifesto so I do not know what the good Senator is talking about. If she can produce a Democratic Labour Party Manifesto that has signatures of any sitting Members we would be very enlightened. But there is no such document.

SENATOR Miss M. A. MOTTLEY: I will ask, Sir, that the Marshal of the Chamber be available so that we can get a copy of the 1986 Democratic Labour Party Manifesto and if there are signatures in there then I will make that a document of the House. If there are not, Sir, I will stand corrected, but, Sir, it is my recollection that there are signatures that are affixed to the 1986 Democratic Labour Party Manifesto and the present Minister of State in the Ministry of Finance came out 3 years ago and stated that they were no longer party to the construction that members of the Democratic Labour Party were not party to the Manifesto of 1986 and that it was drafted by one person in the Party and no one else, Sir.

But, Sir, I am saying this: that if they could so easily withdraw and resign from their responsibilities, I want to know how employers who were not even probably parties to negotiations with John Stanley Goddard or any other employer, what is going to be their position when they find that they have to raise their prices because of Government's energy costs and because of Government's indirect taxation structure and that when they raise their prices what sanction is going to be brought against them by this Government. That, Sir, will be the proof of the pudding as to whether this prices and incomes policy will work.

Certain remarks made by SENATOR Miss M. A. MOTTLEY were ordered expunged from the records by Mr. PRESIDENT.

SENATOR Miss M. A. MOTTLEY: On a point of privilege, Sir, I am asking the Chair to protect my rights in here. The Chair, Sir, cannot deem what my intention is. The Chair cannot enter my mind and deem what my intention is, Sir. And I am asking as a matter of privilege that the Chair withdraw, Sir, from restricting my freedom of speech in this Chamber, Sir.

Mr. PRESIDENT: I will not withdraw what I have said, Senator Mottley. You may proceed.

SENATOR Miss M. A. MOTTLEY: Sir, I am asking the Chair to protect my freedom of speech in this Chamber, Sir.

Mr. PRESIDENT: I rule that you may continue, Senator Mottley.

SENATOR Miss M. A. MOTTLEY: Sir, it is my intention to state and quote this for the benefit of Senator Lewis.

Mr. PRESIDENT: And I said that that will be struck from the records. It is being presented for the benefit of this Chamber.

SENATOR Miss M. A. MOTTLEY: Sir, I do not believe that this Chair or this Chamber can yet fathom the technological advancement that would be necessary to get into my head to rule what my intention is. It is my intention, Sir, to present this quotation for the benefit of Senator Lewis – Incomes Policy and Inflation edited by Michael Parkin and Michael T. Sumner, published by Manchester University Press at page 275.

Mr. PRESIDENT: Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I did not ask for any information for the benefit of Senator Lewis. I, as Leader of the Senate asked for the information for this Honourable Senate and if the Member on the other side does not understand the distinction I am very sorry. The information is for this Senate not for any Senator Lewis.

Mr. PRESIDENT: Thank you very much. I have made that point clear, that it is for the benefit of the Senate.

SENATOR Miss M. A. MOTTLEY: Sir, I am not guided by any request by the Honourable Senator. It is my intention to give it for Senator Lewis' benefit. Senator Lewis needs this since he is the most moved Minister in the Barbados Cabinet history and I think, Sir, he needs the guidance of this Book to ensure that he may bring some wisdom and some more learning to his speeches, Sir.

SENATOR THE HON. L. V. H. LEWIS: Sir, I take the strongest of objections to that insinuation and I expect the Honourable Member to withdraw it.

Mr. PRESIDENT: Senator Lewis you will withdraw that insinuation.

Aside.

Mr. PRESIDENT: I am sorry, Senator Mottley you will withdraw that remark.

SENATOR Miss M. A. MOTTLEY: Sir, I can understand the Freudian slip by the Chair because it seems that the Chair also is in a little bit of difficulty in so far as the...

Mr. PRESIDENT: The Chair is not in any difficulty and I resent your rudeness.

SENATOR Miss M. A. MOTTLEY: Sir, you assume that the Chair knows what my intention is. It is my intention to cite from this document – Incomes Policy and Inflation edited by Michael Parkin and Michael T. Sumner, published by Manchester University Press and I am giving it specifically for the Leader of Government Business so that he may inform his Government as to the views of an international economist who was respected; and it is my intention that that guidance at least be available for them since it appears as though they have not resorted even to the guidance from within their own fold, whether up at the University or otherwise.

"A national incomes policy for a country maintaining a fixed exchange rate therefore makes no sense, if the policy is defined on the conventional lines of seeking to maintain price stability by confining wage increases to the growth rate of productivity. The only rationale, and also feasible, policy in the long run would be a policy that sought to raise wages and prices in line with the general world inflationary trend so as to keep balance-of-payments balanced and avoid either unwanted resource transfers to other countries through balance-of-payment surpluses or politically embarrassing dependents on resource transfers from other countries through balance-of-payment deficits.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, I would like to have the book made a document of this Chamber.

Mr. PRESIDENT: Thank you.

SENATOR Miss M. A. MOTTLEY: Sir, I am not making the book a document of the Chamber. The book does not belong to me and was Senator Clarke aware of the rules of the Chamber he would know that all that is required of me is to make the article a document of the Chamber, Sir.

Sir, what I am saying is this, that given what I have just quoted and given what I have just said, it is highly unlikely that this document, this protocol was going to have any meaningful results within the economy of Barbados.

SENATOR Dr. E. A. SIMMONS: On a point of order, Mr. President, the present speaker who is on her feet stated emphatically that in the 1986 Manifesto and I was a candidate in that Election so therefore she meant me as well, that we had all signed a pledge in the Manifesto. I want it recorded that there is no such signature in the 1986 Manifesto of the Democratic Labour Party. The record of her speech would indicate that the record shows that I

signed the Democratic Labour Party's 1986 Manifesto. I have a copy of it and my signature is not here.
4.35 p.m.

Mr. PRESIDENT: Thank you for the elucidation.

SENATOR Miss M. A. MOTTLEY: Sir, I am grateful to the Honourable Member for producing it. I believe that if he was listening carefully he would have heard me say that it is to my recollection that they signed and that if it was they had not signed I would stand corrected, but that they had subscribed to it; in the same way that the employers of Barbados are said to have subscribed to this Protocol, and in the same way Members, including the Honourable Senator, who collectively departed as members of this Government from the policy enunciated in that 1986 Manifesto, I will not be surprised if within this 20-month period employers also depart from the Protocol in so far as it relates to a prices policy.

At the end of the day, Sir, I am stating that there is really nothing to object to or not to object to. There is really nothing to approve or to disapprove, that in effect what we have are a number of pages that mean nothing and that will mean nothing unless it has the voluntary participation of each and every member of this country. To that extent, in the absence of that consultation and participation, both on the part of the Government and on the part of the Unions, and indeed on the part of the private sector organisations, there is nothing to approve or disapprove of. There is nothing to object or not to object to, it is not worth the paper it is written on. In fact, Sir, it does not even go as far as a Manifesto would go in committing itself to policy development or policy implementation. It is a bunch of rhetoric that will only form a pyrrhic victory for this Government at the end of the day. It is clear, as I said, that this Government's initial programme was totally emasculated and castrated and that what we have ended up with is in description similar to that of a eunuch almost, in that it has no function whatsoever.

Thank you, Sir.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I first want to compliment the workers' organisations, the private sector and the Government at having arrived at an understanding as to how they will deal with the issue of prices and incomes in Barbados for the next 20 months. As far as I understand it, it is indeed a difficult undertaking.

It is interesting that Senator Mottley found it necessary to quote from Professor Harry G. Johnson. Professor Johnson has never in his entire career, distinguished as he was – he is now dead – sought to address his mind to the small open developing economy which Barbados is. I was a bit surprised that Senator Mottley did not take the time to address the work of people

like Dr. Andrew Downes, who wrote a paper published in Economic Development and Cultural Change on this matter, and I certainly could offer her 2 papers which I wrote on both issues. I do not remember the year, I know I wrote them when I was much younger. The title of one is "Are Price Controls Necessary?" I think that was somewhere around 1983 to 1986 and there is another one which I can make available to her, dealing with "An Assessment of Incomes Policies In A Small Open Labour Surplus Economy: Strategies, Implementation, Effects". I am sure there is no problem with that. On both occasions I sought to address the situation of a small developing economy as Barbados.

I agree with Senator Mottley that the attempt to implement a prices and incomes policy in an economy like ours is an ambitious undertaking. It is ambitious because in economies like ours a very significant proportion of the goods which enter into consumption, as well as the inputs which enter into production, are sourced from extra-regional markets. That is why it is so difficult to control prices, because once external factors start to move against us, we are rendered almost helpless in the face of those circumstances. However, it does not mean that the policy makers have no leverage at all in that situation.

In our context it is more desperate to concentrate on fairness in pricing. I am reminded, I think it was last week, of an interview which was carried in one of the local dailies. A garment manufacturer was observing that he was selling his products ex factory – jeans and school uniforms – at about Bds\$18 and he was appalled that when he went into Bridgetown he found the same garments were being retailed at \$55. This was a 200% mark up on the ex factory price. That had a feedback effect on him, because it meant then that goods from outside Barbados – CARICOM and other places – were able to undercut the demand for his commodity. In order to survive he had to decide to cut out the middle man and go straight to the final buyer. I want to see more of that in Barbados, Mr. President. That is an instance of pricing which is fair and I think that is what we have to concentrate on in Barbados.

I think we would be foolhardy to believe that in our circumstances we can put a ceiling on prices. We just cannot do it. I think what we have to do in Barbados is concentrate on developing a commercial policy which gives us access to the widest array of sources of good quality and good value. That is what we have to concentrate our energies on. I have argued elsewhere and written elsewhere, that it is a *non sequitur* in an economy like ours to argue that because prices have gone up wages and salaries should go up. (See – "Policy Issues In Employment Creation Strategies with Particular Reference to the CARICOM Countries" – Frank W. Alleyne: 1986) There is absolutely no logic in such an argument. The fact of the matter is that Government is the single largest employer in the country and when prices increase Government feels the

pressure because Government is the single largest buyer of goods and services. A price use has a direct adverse effect on Government's budget, current as well as capital. 4.45 p.m.

If we follow that, Mr. President, and when I say follow that through, I mean the argument which I referred to as a *non sequitur*, and say because prices have gone up we have to pay higher wages it means that there is a second feedback effect on Government's budget by way of higher wages. Higher wages will eventually lead to higher taxes and higher taxes will eventually result in reduced investment levels. Reduced investment levels will mean that fewer and fewer new jobs will be created. I think we have to take these kinds of wooly arguments out of the way. This notion that because prices have gone up higher wages and salaries have to be paid is a non-argument founded on individualism and sentimentality.

In the final analysis, in an economy like ours the critical factor on this country's ability to service a particular wage and salary structure depends on the balance of payments position of this country. The sooner we get that into our heads and understand it the better it is for all of us.

Very seldom do I listen to the call-in programmes, sometimes I cannot avoid hearing them, Mr. President, but as far as I am concerned they constitute in my view major sources of disinformation in this country, particularly the one which we hear on Thursday evenings on VOB. It is a disgrace. Nothing but a disgrace. I heard one yesterday in which there was an argument being led that a country cannot live beyond its means nor an individual cannot live beyond his means. If it were impossible for an individual to live beyond his means, tell me how is it that individuals from time to time have been foreclosed on and the house they live in has been sold out? It is because you are unable to service a lifestyle which you have developed.

In the same manner in which an individual eventually has to face the music, a country has to face the music. The ultimate determinant of our ability in Barbados to enjoy a particular lifestyle depends on our access to foreign exchange and we cannot continue forever deluding ourselves that we can provide a level of consumption in this country which is insupportable by our foreign exchange earnings. It is as simple and straightforward as that. And those who don't want to recognise it, tough luck!

On the matter of incomes policies, I said earlier it is an ambitious undertaking and this is why I am happy that the element of voluntarism has informed the protocol but that in itself is going to be a problem. I welcome it because this country has a proud history of voluntarism in industrial relations. I think we have to be very careful in departing

from that particular history. I have read the protocol and it is not tightly worded and I imagine if it were worded rather tightly we might not have had an agreement.

Senator Mottley spoke about the linking of incomes to productivity and that raises difficult questions, Mr. President. Which concept of productivity is being talked about? Is it value productivity or is it physical productivity? Because a worker is on sound ground arguing for an increase in his income when value productivity has increased but his physical productivity has not increased. Let me explain that quickly. If I am an agricultural worker cutting canes I might not be cutting more canes per week but if there is a substantial increase in the export price received for cane sugar that means the value of a tonne of cane sugar has substantially increased and therefore I am entitled to argue for my share in that increase in value. That is something which I think we will have to grapple with quite early.

The other very knotty issue which will have to be addressed is this whole issue of decomposing productivity. If we think in terms of an increase in physical productivity, that is, we use a certain bundle of inputs and that bundle of inputs is now giving us 20% more we still have a very knotty problem to resolve. How are you going to share that increased 20% because we still have to find a satisfactory formula to determine how we are going to treat it. Of course, labour cannot decide that it is the only factor in production so it appropriates the increase to itself. Management must have its share and capital likewise.

I sympathise with the task which the members of the Productivity Board will be called upon to carry out. It will be a most demanding task. I sincerely hope that some of the finest intellects in Barbados who are accustomed to work I emphasise, will be recruited to do the work of that Productivity Board. This entire issue has to be understood within the context of structural adjustment. Any country which allows its cost of production to move out of line *vis-a-vis* those of its competitors is a country which is heading for destruction. In Barbados, all parties are agreed that a fixed exchange rate is desirable. There are just 1 or 2 business persons whom I have heard argue to the contrary. Mr. President, since there is a consensus that a fixed exchange rate is desirable all Barbadians must commit themselves to supporting the conditions which will make possible a fixed exchange rate over time.

One of the critical conditions which must be satisfied if Barbados is to benefit from that fixed exchange rate is that the country should control its cost of production. If we do not do that, and allow our cost of production to get out of line with that of our competitors in actual terms our real exchange rate is appreciating and a strong case for devaluation can be made. That is why the Incomes Policy becomes so critical. I noticed that Senator Mottley

spoke about it in relation to the IMF and the World Bank. But the fact of the matter is that even if you forgot the IMF and the World Bank in terms of the logic of the argument, once you desire to have a fixed exchange rate a *sine qua non* is that you must be able to contain your costs and keep them in line with your competitors. If you do not do that, you are going to have a burgeoning trade deficit and a very unsustainable balance of payments deficit. Once that develops, you can no longer have a fixed exchange rate. I think we have to understand these things.
4.55 p.m.

Mr. President, in that context, an Incomes Policy makes sense within the whole context of structural adjustment. It is very interesting, Mr. President, when I reflect that about four weeks ago when the idea of an Incomes Policy was first mooted by the Government and I stand corrected, I seem to recall that the present Leader of the Opposition vociferously opposed the idea. It is very interesting that when this matter went to the Lower House it was supported by the Opposition. It is very interesting. I will not speculate on the reasons. Suffice it to say, Sir, I believe that the good judgment and training of the Opposition Leader had the better of him on that day. I repeat, Mr. President, all Barbadians have got to work to make sure that the goals which we have set ourselves can be achieved. The major target which we have set ourselves with respect to this Incomes Policy is the maintenance of a fixed exchange rate. You cannot say that you want a fixed exchange rate and you are going to allow incomes to move at a rate which is inconsistent with the maintenance of your fixed exchange rate. I think that we have got to understand this. It is not a matter of partisan politics.

Mr. President, I would like to think that on the matter of prices the Government will avoid the establishment of a costly apparatus to go about fixing and policing prices. I would like to think that Government will avoid that. I believe the most effective approach is to provide the information on commodities. Provide information to the public on the prices at source. I believe it is time that we should adopt a policy of unit pricing. When you go into a store and buy a commodity, you should know what is the landed price and what are the other things which have gone into the final price. I believe that we should encourage the consumer cooperatives to build the type of organisation which will enable them to develop as a countervailing force to other areas in the distributive sector. I believe that the Government can use its leverage to strengthen competition. That is what we want.

Mr. President, I do not think that it is wise for the Government to set up itself as the big brother and develop an army of price control inspectors and so on and then we have a fight with the distributive sector. It does not make sense. Give people the information. Assist people in developing what I call people's power as consumers

because the credit unions have the money. All that is necessary as far as the consumer cooperatives are concerned is the education and the leadership.

With those few remarks, Mr. President, I wholeheartedly support this Bill.

Mr. PRESIDENT: Senator Lewis.

SUSPENSION OF SITTING

SENATOR THE HON. L. V. H. LEWIS: Mr. President, it looks as if I am doing this to you all day. Because it is abundantly clear that we are going on for more than an hour, Mr. President, I beg to move that this sitting be suspended until 5:30 p.m. to allow us jointly to have a cup of tea or something and then come back at 5:30 p.m. and continue our business.

The question that the sitting be suspended until 5:30 p.m. was put to the Senate and agreed to.
5.03 p.m.

RESUMPTION

Mr. PRESIDENT: This sitting is now resumed.

SENATOR T. C. BECKLES: Mr. President, I rise to support the motion on the Table and I want to say a few brief remarks, especially in particular to what Senator Mottley purports to be a statement by Harry Johnson. I think it is important for us in the developing country not only to recognise our strengths but to understand the source of much of our weaknesses. Certainly, in regard to intelligentsia, as my friend and colleague has indicated, there is a lot of economic work done by our own people in the Caribbean which would have informed the Senator Miss Mottley a lot more than Harry Johnson.

Just a brief word with regard to Harry Johnson. Harry Johnson is essentially a classical economist who stresses a lot more of what we refer to as abstract reasoning than concerns himself with the institutions which deal with and make up the economy. As a matter of fact, in many instances he is known to be fairly hostile to the institutions including the psychology of people, the sociology of a people and so on. Hence he has never been known to make a significant contribution to developing countries and certainly not to smaller economies. So, so much for that.

I think it is important therefore that our people should understand the things that are necessary for our development and work with those things and certainly be intelligent and wise enough to exclude from our knowledge bank on particular subjects those writers which certainly are not intended to do us any good, even if they do not do us harm.

Mr. President, I would like to show my appreciation to the social partners for the work which they have done in ensuring that we in Barbados can arrive at a prices and incomes policy voluntarily in spite of the things that divide us, the trade union movement, the employers' association and the Government. The fact that these 3 institutions at a time like this could come together and arrive at a document that is of the nature that we have before us today and which certainly will guide us over the next 18 months with regard to what our wage settlement should be and the kind of prices and how we should deal with these if and when the time comes that we have price increases and also what we can do with our very poor people, I think that some persons for their own benefit may miss this aspect of the policy.

It is not only a prices and incomes policy but inside the document itself there is a section which indicates that wages can increase for certain people if the Coalition deem that those people are miserably poor. I think this is a heroic attempt by these institutions and one that would be applauded by all Barbados. I think that it is one that in future will be used by other developing countries which find themselves in the position we are in today.

I have no doubt that it will encounter some difficulties because with the economy of Barbados and the structural reform that it is in, I have no doubt that some of the people who may not be a party, because you are never going to get a document that satisfies everybody 100%... In due course there will be some groups of people who might seek to gain unfair advantage as a result of certain aspects of the document because of its voluntary nature. However, I believe that it has been done in good faith by the social partners and that all 3 of these institutions will do their best to make sure that their constituents and the persons whom they represent adhere to what is in the document. For this reason, Mr. President, I believe that this document will stand Barbados in good stead over the next 20 months or so.

Prices and Incomes Policy cannot be discussed outside of the context in which it is intended. That is why the quote from Harry Johnson may be so irrelevant. He is talking within an economic frame of reference and might be quite different from the one in which we are discussing our particular situation. I am sure if the Senator had set out the premise on which Professor Johnson had reached his conclusions we would be better informed, but just to extract something from a document and purport that that document has the authenticity to guide us in this House is something that angered me a bit because I think she should have credited the people of Barbados, certainly this House, with a lot more intelligence. After all, we are a people with over 30 years of free secondary education and certainly about 30 years of tertiary education.

There is no doubt that there are people in the Caribbean and in this House who understand the tenets of economics. Economics is certainly multifaceted and there is no way that one statement could inform a situation like how to behave with regard to an incomes policy. One of the problems we have in Barbados at the moment and one of the problems that we have to address centres around the high cost of producing in our economy. People can relate this to living beyond one's means or however one wants to define that. Certainly, what we know in Barbados today is that we have a fairly high cost and our production cost is fairly high. Our production cost is high, Mr. President, not only because wages are high and not only because indirect taxation is high but the actual input into the human capital in Barbados and the infrastructure of Barbados is relatively high.

There is probably no place in the world with the same land mass - 166 square miles and 265 000 persons that you will find a higher proportion of income go into education, social services and social infrastructure. Now, Mr. President, these things have to be paid for and I think sometimes when we try to discuss taxes and tax increases in isolation from what the Government is doing it makes it sound very fascinating, especially when you are in opposition. But if we are to maintain, Mr. President, the kind of social infrastructure we have and that we are all proud of, the kind of education, the kind of social services, then the Government must pay for these things and the way to pay for these things is by way of taxes. Mr. President, by logical, economic reasoning these things must sooner or later find themselves in the price of whatever the product is.

5.40 p.m

Now, when we are on the receiving end of these things, when we get our free education, even up to University, free health service and so on and so forth, we are happy. We seem to think that it is some gift dropped from some vacuum. But really it is not. Eventually it has to feed itself back into the price of the input of the goods and services we produce. Put more succinctly, Mr. President, if you take an average worker in Barbados and you add up what it takes to bring him from an infant until he enters the labour market and compare it with a similar worker in Mexico, a similar worker in any of the Caribbean countries, what you are going to realise is that it is a higher amount of income going into the worker in Barbados. Now that is a fact and it is something that we cannot play around with. This is so. The question we have got to ask is whether we want to continue down that road or whether we can make some modification, because for one thing we have recognised in recent times that the international market is not as receptive to this sort of thing as it used to.

Senator Alleyne, this morning, indicated along these lines but it is true that the only true sustainable growth path is one which permits productivity to grow faster than the cost of inputs – one in which you have a positive rate of productivity. What Senator did not say this morning, and I think this is what has been fooling Barbadians for a little time, is that in the short run, in a period when you can borrow, you can allow your income to rise faster than your productivity. You can do it and pay for it out of borrowing. But no person or country can in the final analysis get themselves out of an economic predicament of a deficit by continuing to borrow. Sooner or later you must restructure your economy so that you can start paying back and this is where we are at today and this is why it is so necessary, Mr. President, for us to have an incomes policy that makes sense and this one that we are debating is one of these incomes policies. It does not in any way deviate from the voluntary nature of our industrial relations practices. It is an incomes policy which addresses the problem of price increases over the next 20 months. It tells you how you can get increased wages and I do not really understand what Senator Mottley meant when she said that we are not discussing anything. Because set out there in this document, the purpose is certainly very clear so that we will maintain the parity of our dollar.

Now we see clearly that there are not going to be any increases in wages over the next 20 months except where there is productivity and profit sharing. So the document is there to be discussed. Does she disagree or agree with these sorts of tenets in a policy of economics that wages should be tied, not to the cost of living as we did up until quite recently which Senator Alleyne articulated quite clearly is a methodology that we use that we become accustomed to and are comfortable with but which has very little bearings in the foundations of economic reasonings? Certainly if you have a situation in which your wages are keeping pace with prices then you know by all means that the standard of living of poor people will be rising; but this is only on the consumption side. What about the production side? You must have savings and investments and if your consumption side, the supply side, the cost of supplying goods significantly outstrips your ability on the other side to produce these goods, then your economy is in disequilibrium and this is what this incomes policy will help us to address. We must bring the side, the cost of producing goods and services back in line with what our resources can afford us to pay.

Therefore, Mr. President, as I indicated there is no need for a long drawn out speech. I have no doubt that this protocol is in the best interest of Barbados at this time. I have no hesitation in supporting it. I thank you, Sir.

Mr. PRESIDENT: Senator Fraser.

SENATOR Mrs. V. C. FRASER: Thank you very much, Mr. President. I really don't want to say anything much but just to add a few words in supporting the prices and incomes policy and to look very carefully at what is happening at this time. I believe that the mere fact that people could realise that they have to get together in the interest of Barbados and not in the interest of themselves is a step in the right direction.

I should like to congratulate the union, the other social partners and the Government for getting together on this. I should like specifically to remind persons of the importance of A and B, the safeguarding of the existing parity of the rate of exchange, recognising that any deterioration in this rate will lead to a significant reduction in living standards of the vast majority of Barbadians.

Mr. President, I must reflect on the fact that although we have so many complaints about the erosion of standards of Barbadians in this country that when we travel we recognise that Barbadians' living standards can be compared with any country in the world that has an extremely high standard of living when we consider the size of this small country, also the welfare services and the other goods and services, the educational system and many other things, both infrastructural services and so on. Barbados rates very high and I believe that no Barbadian would like to see that standard of living drop to the ground. I think this is one of the tenets on which this incomes policy should be working and as we see here I believe that with all the good intentions that seem to have existed at the discussion that this will work.

The other point was the expansion of the economy to satisfy the need for improved competitiveness, to provide a right of access to employment. That concerns me very much because the right of access to employment is a basic right to reduce the threat of social dislocation caused by an unacceptably high level of unemployment.

Mr. President, while I am on this I would like to say that this Committee in addition to every citizen in Barbados has to do much to motivate people to get involved in activities that are going to be productive and we are talking about productivity and we are not talking about playing the fool and I think if Barbados has come to this stage now where it has recognised that for a long time people have not been producing, people have just been playing the fool and many people have just been taking money and spending and just going abroad and using up a lot of foreign exchange and they are still doing it. Perhaps the Prices and Incomes Board will have to look at some means of putting on some sort of stop gaps there, because some of the things they can get in Barbados they are paying a plane passage to go abroad to get.

5.50 p.m.

Then there will be a general freeze in basic wages and salaries in both the public and private sectors. Mr. President, this had to come because all we have been doing is spending and not saving. If a country is spending and not saving, then it will run into trouble. I think that this is as good a time as any that we put on some checks and balances, because Barbados has always been seen by the other islands of the Caribbean as a progressive country. The intelligence of the people of Barbados is indeed reassuring to the people not only of the Caribbean region but to people in other places. As I walked about for the past couple of days, people are saying that this is really going to be beneficial. It will take a little time, it will take some sinking in. We know we will have difficulty, but with Christ in the vessel we can smile at the storm and Barbados will go forward.

Thank you.

SENATOR T. E. BARKER: Sir, I just want to add my comments on the incomes policy. I want to preface them by saying that we do not need an incomes policy in Barbados. I am very clear on that.

Incomes policies were tried in many countries, especially the Scandinavian countries. In the late sixties, early seventies, Britain and all the Nordic countries had incomes policies. One was tried in America and one in New Zealand, so a lot of countries tried incomes policies, but there was a reason for their introduction. The reason was that this was a period of high inflation brought on to a large extent by the increases in oil prices of the early seventies. The result was that in all the market economies there were high levels of inflation.

Sir, we know that unions, in determining wage levels and so on, looked at the history of inflation, so to speak. In other words, they looked and see what inflation was in the last year or two before they put in a claim for wages in the next year or two, depending upon the length of the agreement. Therefore, when inflation was 10%, 15%, at that level, the expectation was that these high levels of inflation would persist over the life of the period of agreement. Therefore, if the level of inflation is 15%, the unions will say "we expect that this high rate will continue for the next year or two, and as a result we are going to make demands to put our members at the end of the agreement where they were at the beginning in real terms, that is, when we discount for expected rates of inflation."

Therefore, in order to avoid the spiralling effect of these high wages, Governments and the unions said let us work a situation like this where if you agree to reduce your level of demand for wages, we will do whatever is needed to make sure that prices in the contract period are kept under control. The worker then, even although his demands are less than the current rate of inflation, would not be

worse off at the end of the period, because by their action and by Government's intervention, the rate of inflation would have been down to more manageable levels. That worked, to some extent, especially in the Nordic countries and there was some success in bringing down the rate of inflation.

What is happening in Barbados at this time? For the past 2 years or so there has been a virtual wage freeze. In the Public Service, which accounts for almost one quarter of the work force, the workers were subject to a cut in income, and I have not heard of any large increases in the private sector. If anything, the workers were so keen in maintaining their jobs that they did not even worry about things like wage increases. In the last 2 or 3 years in Barbados we have had no great demands in terms of wage increases. Therefore, the conditions which made the Nordic countries and the developed countries institute incomes policies in the seventies are not present within the Barbadian economy. History will show that the unions have been very responsible in their demand for increased wages.

We only have to refer to the Annual Statistical Digest put out by the Central Bank. The one I have here is that for 1992. There is a Table, 11B, which shows how wages have moved over the last 20 years. It is called a wage index. Taking 1980 as the reference point, up until 1991 wages in Barbados were 82% above the level of 1980, while at the same time the general price level was almost double. At the end of 1991 it was 199.8 as against 100 in 1980. So while prices have almost doubled, wages have increased by 82%, so that there is a slight gap. The result is that the real wages have shown a little decline as we move from 1980 to 1991. There is nothing to suggest, taking the official publications, that wages in Barbados have outstripped the increase in the price level. If anything, they are a little below. Hence, to blame wages for the uncompetitiveness of the Barbadian economy is to fly in the face of fact and reason, because wages have declined in a small way over the same period. All of this thing about wages being the cause of our lack of competitiveness is not supported by empirical fact. Therefore, when one of the objectives of the incomes policy is, and I am quoting: 6.00 p.m.

"the expansion of the economy to satisfy the need for improved competitiveness..."

I am saying, Sir, that we do not need an incomes policy on our prices policy to improve competitiveness, but we have to look at the cost of other inputs. That is what we have to look at.

As I always say, the ordinary firm maybe spends 20% to 30% of their total costs on wages. It is hardly more than 30% and it obviously is going to vary from industry to industry. There are other costs which are just as

important, if not more important, than wages in determining the final price of output. We think in terms of the cost of raw materials. We think of the cost of energy. We think of the cost of capital as measured by the rate of interest. All of these are significant in determining the price of output. Therefore, Sir, in the light of this Government every time there is a Budget increasing the level of indirect taxation, in the light that this Government still maintains an energy policy which has Mobil Refinery being able to charge a surcharge even on products that they do not even refine such as the oil used by the Light and Power Company which does not pass through Mobil Refinery yet the Light and Power has to pay surcharge on fuel oils which is in turn passed on to the consumer whether domestic or commercial.

In spite of this Government's maintaining high rates of interest we are seeing here that in order to improve competitiveness you have to freeze wages. I am saying, Sir, that nothing is further from the truth. In order to improve competitiveness our major focus has to be trying to achieve significant reductions in the cost of inputs. The worker is the scapegoat in this whole exercise. He alone must share the blame for our lack of competitiveness. For union leaders in spite of empirical evidence to the contrary to put their pens to a document which is blaming the workers for the lack of competitiveness in our economy is a gross dereliction of duty in my view. They have a right to protect the interests of the worker. I am not so sure that the rights of the worker will be protected by high wage increases, I would never say that as I am responsible; but the interest of the workers will be served when the Government institutes policies and programmes to bring the other costs of their businesses down to acceptable levels.

You are asking the workers to compete with workers in Trinidad and St. Lucia who do not have to pay the exorbitant duties on their inputs. The worker in Barbados is made to believe and the union leaders agree that he and he alone by his acceptance of a wage freeze can do things to safeguard the existing parity of the rate of exchange. Nothing is further from the truth. Our rate of exchange is not determined by wage levels because wage levels are not the cause of our inability to export. Therefore you cannot say that by reducing wages you are going to make up the parity of the Barbados dollar. I don't see a logical connection between the two. I base my argument on the published data that wages in Barbados have not increased faster than the rate of inflation. In any case, studies done have shown that the cause of inflation in Barbados is not wage rates but the major cause of inflation in Barbados – and this is before the Government started increasing taxes left, right and centre, before the Government corrupted the indirect tax system...

SENATOR Dr. F. W. ALLEYNE: Mr. President, on a point of order. I would like to ask Senator Barker to

explain for the benefit of this House what he means by the Government corrupting the indirect taxation.

Mr. PRESIDENT: Senator Barker, what exactly do you mean by what you just said?

SENATOR T. E. BARKER: Sir, I don't think the Standing Orders of this Chamber require me to explain what I just said.

Mr. PRESIDENT: Senator Barker, I am stating that we are asking you to explain what you are saying. We don't understand what you are saying.

SENATOR T. E. BARKER: I don't think that I am under any obligation to explain it.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I take objection to the words "corrupted the tax system."

Mr. PRESIDENT: All right. We take objection to that.

SENATOR THE HON. L. V. H. LEWIS: And ask that they be withdrawn.

SENATOR T. E. BARKER: You can withdraw what you like.

Mr. PRESIDENT: Senator Barker. That is spoken on my behalf. You will withdraw those words.

SENATOR T. E. BARKER: Sir, I don't know why I should withdraw. On what grounds am I called to withdraw? I am not saying anything against the character of anybody.

Mr. PRESIDENT: You said the Government has corrupted the tax system. Is that what you said?

SENATOR T. E. BARKER: I stand by that.

Mr. PRESIDENT: I just wanted to know if I understood you correctly. Is that what you said?

SENATOR T. E. BARKER: Yes. I said that.

Mr. PRESIDENT: Well, we ask that you withdraw that.

SENATOR T. E. BARKER: Sir, may I ask, with all due respect, on what grounds am I asked to withdraw that?

Mr. PRESIDENT: Senator Barker, my ruling is that you withdraw it because it is unparliamentary.

SENATOR T. E. BARKER: Unparliamentary, Sir?

Mr. PRESIDENT: I am not having an argument with you, Senator Barker.

SENATOR T. E. BARKER: Sir, I will never argue with you. I know I have not made any statement which is unparliamentary.

Mr. PRESIDENT: Senator Barker, I said that you should withdraw those words because it is unparliamentary.

SENATOR T. E. BARKER: Sir, I must confess that...

Mr. PRESIDENT: Senator Barker, I am not having an argument with you. Just withdraw those words and then you may continue your debate.

SENATOR T. E. BARKER: Sir, the Government in my view has corrupted the tax system. Therefore, for me to withdraw it flies in the face of all that I hold.

Mr. PRESIDENT: Senator Barker, I am not asking for an argument. I said that you withdraw those words.

SENATOR T. E. BARKER: Otherwise what is the sanction?

Mr. PRESIDENT: Senator Barker, I am not having an argument with you. You don't seem to understand. The Chair rules that you withdraw those words. There is no argument back and forth.

SENATOR T. E. BARKER: Sir, I want to talk and because I want to talk I will do anything. I have things to say. Anything you want me to withdraw I will withdraw because I cannot deal with you, Sir.

Mr. PRESIDENT: Senator Barker, what exactly does that mean?

SENATOR T. E. BARKER: Sir, it means that I do not think that I get fair treatment.

Mr. PRESIDENT: Senator Barker, I resent that. I am telling you I have simply asked you to withdraw those words. That is all.

SENATOR T. E. BARKER: I will withdraw them.

Mr. PRESIDENT: All right. You may proceed.

SENATOR T. E. BARKER: But the Government has distorted and confused the indirect tax system to the point where it is almost a corruption.

As I was saying before... Because the whole idea was to make me lose my train of thought, but it will not happen. Studies have shown that before the Government

distorted the indirect tax system the main cause of inflation was the level of import prices. What happened in the last few years was that Government by its distortion, by its almost corruption of the tax system, caused inflation which at the time that this Government took over we were having almost zero rates of inflation. Check it!

In 1987 the increase in consumption taxes caused the rate of inflation to jump. In 1988 the same thing happened. In 1989 the same thing happened. In 1990 we had elections so we would not have had a tax increase that year. In 1991 the Government increased the consumption tax and as a result the rate of inflation increased. Government even admitted in this year's budget that an increase in the consumption tax would mean an increase in the rate of inflation. As a matter of fact, the Prime Minister said it.

So I am saying, Sir, that in the last few years the cause of inflation had nothing to do with the worker. It had to do with the high level of indirect taxation levied upon the poor people of Barbados by an uncaring and unsympathetic Government. That is what I am saying.

Now what are we having? The worker must take the blame. The worker must take the blame for the rate of exchange and competitiveness and members of a so-called Democratic Party get up and support this foolishness. 6.10 p.m.

Aside.

SENATOR T. E. BARKER: What I am saying, Sir, is that this Incomes Policy that we are here debating is based on what I consider to be untruths. That is what it is based on. It is based on a fallacy that our labour costs, which in my view are not high. When a man is working for \$150.00 a week, I do not call that high wages. A lot of people are working and get paid at the end of the week and they are still unable to maintain a decent standard of living. That is a fact. A lot of our workers are not earning enough to live almost at the minimal acceptable standard of living. We look around the country-side. People are working day in and day out and they are not bad managers, but their wage in that particular industry is low. As a result, they are barely able to make ends meet.

Sir, in spite of all that I have said, I am still glad that the wage freeze will not extend to areas where wages are deemed by the social partners to be substandard. I have a problem with our social partners. We have the Chairman of the Chamber of Commerce who is laughing in the newspapers...

Mr. PRESIDENT: The Chairman of the Chamber of Commerce?

SENATOR T. E. BARKER: I think he is, Sir.

Mr. PRESIDENT: I do not think that you are correct.

SENATOR T. E. BARKER: Sir, I think that we have the Chairman of the Goddard Group and he is laughing at the Prime Minister. The union leader is joining in the laughter too and the only body who is not laughing is the worker. Now from their vantage point, they are going to determine what is the substandard wage. I am not so sure that those gentlemen and some of the ones who signed the document know what is a substandard wage. Because, Sir, some of them pay their maids \$150.00 a week and they might consider that to be a standard wage. I do not know. But the fact remains, Sir, that we should have a minimum level under which the wage freeze should not apply and it should be stated. Right now it is left at the discretion of a few people. Some of them, Sir, might not have the necessary sympathy with the working class. But they are going to be the ones to decide whether a wage is substandard or not and I find that intolerable. In short, I find the wage freeze to be intolerable.

Aside.

SENATOR T. E. BARKER: Sir, it is remarkable that the same trade unions who marched in 1986 when we went to an offer of about 10 per cent increase are glad to go in the paper now laughing when they signed for a wage freeze. Sir, strange things happen. Barbados is a strange country.

Sir, this brings me to the whole idea of productivity. I would say that it is very difficult to measure productivity. To say that the only increase one is going to get must be based on assessment of improvement in productivity is asking for trouble. I can see within the next two years the Productivity Board having endless problems. Sir, I will give you a case. A worker in a factory is using the employer's machine which is substandard and every five minutes it is breaking down. At the end of the day or week or whatever, he may only produce 100 units. It is not his fault. The fact of the matter is that the machine needs replacing. Now another factory who is probably making the same thing has a modern machine. During the life of the agreement where the other factory gets a new machine and instead of producing 100 units a week, the same worker may produce 200 units a week. That worker is not necessarily more productive. All that happened is that he has a better machine to work with which is not breaking down so often and hence he is going to produce more. Now the question is that the worker with the substandard machine is not going to look as if he is increasing his productivity but the other worker will in the interim who has got the new machine.

Sir, unless we take into account all of those factors, it will look as though that worker is twice as productive and he will benefit from an increase in productivity and the

other worker will not benefit even though it is not his fault. In any case, this whole idea of productivity, in my view, is more a reflection on management practices and the level of investment within the firm than it is with the worker. That is something we must remember. The worker can do little to improve his productivity beyond a certain level, but the employer by either proper investment practices or by a better factory layout can do things to enhance productivity within the organisation. It is a management function.

Sir, to say that a worker can only benefit if management performs to the best of its ability is to transfer the onus from the management back to the worker who can do little to enhance productivity. Sir, that is the main problem. Given the fact that our business structure in Barbados is still very antiquated where a lot of our entrepreneurs and managers are not properly trained and some who only get there by birth and so on and given the fact also that a lot of them do not open themselves to new ideas, creativity and new thinking and practices, I can see that the worker at the end of the day is going to get the short end of the stick. That is why I am very unhappy with linking increases in pay with increases in productivity given the fact, as I have said before, that the worker can do little to improve his productivity over and above a certain level. Therefore, Sir, for that reason alone, I can see the Productivity Board having endless problems.

Sir, as a matter of passing, I also note that the Prime Minister may have anticipated Cabinet changes because he took the Productivity Board from the Ministry of Labour and put it in his Ministry. But he did the sensible thing in transferring the Minister to his Ministry so that the same Minister can deal with it. Sir, despite of what he may think, I have a little bit of faith in Dr. Clarke even in spite of what he said this morning. Sir, I wish him well. I want to warn the Prime Minister that one of the most important appointments that he is going to make is the Chairman of this Productivity Board. That is a tremendously important appointment and, Sir, I am asking the Prime Minister not to be swayed by political considerations, but rather to ensure that the person chosen is well accepted and well respected both for his integrity and his knowledge and commitment to productivity. That is going to be important. The person chosen must be like Caesar's wife, above reproach. So, Sir, when he speaks, he speaks with moral authority and with wisdom and understanding. Sir, I will repeat what I said, that this is one of the most important appointments that this Government is going to make. And, Sir, I would want to say that, given the history of some of the appointments, I am a little bit worried.

6.20 p.m.

I know, Sir, that over the next year or two the Productivity Board is going to be faced with a million and one requests and they will have to be ingenious because

the information on which productivity is going to be assessed is going to come from the managers and the owners of the firms and corporations and it might not always be in their interest to have figures which are going to show large increases in worker productivity because they know, Sir, that that would automatically mean increases in wages. So one has to be like detectives, they have to have skilled accountants with the highest level of knowledge to go through the firms' balance sheets to ensure that the correct picture of the firms' operations is presented. So the staff of the Board as opposed to the Board itself need to have competent well trained persons in order to fulfill their mandate.

So, Sir, I can see endless problems but then I will go back to what I said before because our system of industrial relations has been so good in the past that in spite of a hiccough here or there, it has worked to our advantage. Senator Simmons is always talking about the progress we made and I agree with him but we would not have got where we were had it not been for the unions undertaking positions based on a global view of where they want the country to go. No union in its right mind asks for wages if it knows that the wages is going to put the country one step forward and 2 steps backward. It will not do it, therefore we have to go on trust. If in the past they have not acted irresponsibly, what is there to suggest that at this point in time they are going to act irresponsibly? So the whole incomes policy and whole Productivity Board is a slap in the face of the workers union because it shows, Sir, that the Government...

Mr. PRESIDENT: Senator Barker, you have one more minute.

SENATOR T. E. BARKER: Sir, the point I am making is that the unions for the past 50 years have collaborated with Government to a large extent and pushed the country forward and now after all of this you are telling them now, you are irresponsible therefore I have to get a Productivity Board and a whole set of legal and para-legal paraphernalia to ensure that you behave properly when in the past you have not behaved improperly. I don't see the sense. So, as my colleague said, it is nothing to agree with or disagree with because we do not need it. It is going to destroy the trust that you have built up over the past years and as I heard in an aside you are just creating work for people.

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: It is rather interesting to note that Senators Barker and Mottley find it not in their interest to support this. Apparently they are marching to the beat of different drummers. I believe that this measure, the Resolution which is before us, came

up here with the endorsement of all Members in the other place.

SENATOR Miss M. A. MOTTLEY: The Honourable Senator should know better than to mislead the Chamber. It was clearly on record then and I was there, Sir, when the debate took place and I know as a matter of fact that the official line of the Barbados Labour Party has been and still is that there is nothing in here to approve or disapprove. It is superfluous and it only seeks to put in place what has already been existing in Barbados for the last 50 years.

Mr. PRESIDENT: Thank you.

SENATOR THE HON. Dr. C. D. CLARKE: It is my understanding that the Resolution before us was not opposed in the other place and I assume....

SENATOR Miss M. A. MOTTLEY: On a point of order, Sir, the Honourable Senator is misleading the Chamber. The Resolution was opposed.

SENATOR THE HON. Dr. C. D. CLARKE: In addition, Mr. President, the impression given during the debate was that there were only 3 individuals present during the negotiations. I would hasten to add that while Mr. Goddard led the employers group, the Barbados Employers Confederation was represented and also while Mr. Leroy Trotman led the Workers Union there were other unions represented throughout the negotiations and they also signed in their own right.

We have been having some experience with measuring productivity and there was a Board which did not have any teeth and which was not created under any law, under the Chairmanship of Mr. Rudy Gibbons and this Board was set up after some assistance from a consultant supplied through the ILO and based on the recommendations of the consultant and the methodology employed by the productivity board under the Chairmanship of Mr. Rudy Gibbons. The approach to measuring productivity was based on real output rather than nominal or monetary value so I think this would make it fairly consistent across various sectors if you are measuring in real terms whether it be man hours or anything like it. I beg to move, Mr. President, that this Resolution do now pass.

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

ORDER NO. 6 – THE NATIONAL PRODUCTIVITY BOARD BILL, 1993

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, in rising to move the second reading of this Bill this Honourable Senate has fully debated this measure

during the other Resolution dealing with the protocol on the prices and incomes policy. As a matter of fact, I shall not therefore detain the Chamber except to point out that the functions of the National Productivity Board will include the creation of methodologies for measuring worker productivity, the providing of technical advice and assistance towards devising productivity related payment schemes, the monitoring and promotion of all aspects of productivity growth, assisting with the development and implementation of methods and strategies designed to enhance productivity, the designing and advising on suitable educational programmes intended to stimulate public awareness and understanding of the need to raise and maintain productivity standards and the monitoring of wage settlements and encouraging the parties to base their collective agreement on productivity and profit sharing remuneration and rewards.

As I said earlier, Sir, since this measure was fairly well ventilated during the last debate I beg to move that this Bill be read a second time.

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

On the motion of SENATOR THE HON. Dr. C. D. CLARKE, Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, His HON. SENATOR J. J. PAYNE in the Chair.
6.30 p.m.

Mr. CHAIRMAN: The Senate is in Committee.

Clauses 1 to 12 were called and passed.

The Schedule was called.

SENATOR THE HON. Dr. C. D. CLARKE: I beg to move that the Schedule be the Schedule to the Bill.

The question was put to the Senate and agreed to.

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

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

ORDER NO. 7 – THE CONSUMPTION TAX (AMENDMENT) (NO. 2) BILL, 1993

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, in rising to move the Second Reading of this Bill, I think it would be appropriate to give some background information and outline the factors which gave rise to this amendment.

In the Financial Statement and Budgetary Proposals by the Minister of Finance, delivered in the Other Place on 15th March, he announced amongst other things a series of trade reform measures, including the liberalisation of trade through the abolition of non-tariff barriers, such as quota systems, licensing requirements, minimum c.i.f. values and the negative list. The Minister of Finance stated that the removal of these non-tariff barriers will be replaced by the institution of a temporary surcharge on certain categories of goods, including furniture and agricultural items. He made it clear that the range of goods, as well as the level of surcharge to be applied on imported goods would be determined after consultation with interested parties.

Following a series of meetings between various interested parties, which included the Barbados Manufacturers' Association, the Barbados Agricultural Society, the Barbados Hotel Association, the Chamber of Commerce and other private sector groupings, agreement was reached to remove certain items from the licensing regime, some to be retained and others to carry a surcharge in order to provide protection to domestic producers.

Based on the productive capabilities within the local economy, there were 3 lists provided. Items included in List A were recommended for removal from the licensing system, since it was felt that these would not have an adverse impact on the productive sectors of the economy. Those items in List B which were recommended for removal from the licensing regime but for which protection would still be given through the institution of a surtax, and the level of the surtax is a flat rate of 100% c.i.f. across the board for List B items, except a few non-sensitive items for which the surtax is 100% c.i.f. less the value of import duty chargeable under the Barbados Customs Tariff. The items included under List C were recommended for retention under licence, and the goods in this list represented those goods which should be retained for matters of retaining environmental integrity and also for security reasons.

In short then, the Consumption Tax Act is being amended in order to give protection to those items for which it was felt necessary, although removing the licensing regime from them, we are imposing a surtax.

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

SENATOR Miss M. A. MOTTLEY: Sir, as the Honourable Senator indicated, the consequences of this amendment to the Consumption Tax Act is really to give effect to a policy that is in fact being advocated and now being adopted as a result of policies being articulated by the World Bank and other major international institutions in respect of trade liberalisation.

What is evident is that the Barbados Government has decided to adopt these policies in order once again to meet the agenda and the timetable that have been set for it both by the World Bank and the International Monetary Fund so that they may be able to draw down a mere \$20 million from the World Bank in the first instance for the beginning of structural adjustment, which it has been promising to do for over 18 months now, but for which it is yet to draw down funds for during that period of time.

What is significant, Sir, is that the measures which accord with this trade reform, while sounding idealistic on paper, in truth and in fact will work a level of decline in our job market that the economy can little stand at this time, with unemployment at 35 000 people.

Mr. PRESIDENT: How do you get those figures, Senator Mottley?

SENATOR Miss M. A. MOTTLEY: 27.1% of 129 000 persons, if the Chair does the calculation, Sir, will come out to 34 thousand....

Mr. PRESIDENT: Oh, it is 27.1% now?

SENATOR Miss M. A. MOTTLEY: Yes, Sir. Those are the official figures given by this Government, although it is our contention that those figures relate to the first quarter, which is normally the highest quarter of employment in this country, and therefore the figures that will come out for the second quarter will carry us near to 40 000 when we are done. That is how those figures are arrived at. It is my contention that to impose trade liberalisation at this stage would lead to further job losses in certain key industries and indeed, Sir, a perusal of what is in effect referred to by Government as List E, which is the list where some non-tariff barrier protection is still provided for, and List D where the protection that is provided for is in the form of the 100 per cent surcharge and then List A by a process of deduction which receives no protection at all and shows that there are a number of industries that are likely to be hit by the opening up of the markets.

6.40 p.m.

Sir, if we look in particular at List B which is the Customs Tariff (Amendment) (No. 2) Order, 1993 which was signed by the Prime Minister in his capacity as Minister responsible for Finance on March 10, 1993, we see that there are a number of items which are prescribed for which are to benefit from a surcharge of 100 per cent and indeed, Sir, this Consumption Tax Act (Amendment) Act is to provide for that surcharge not to be taken into account when calculating what the consumption tax is. Normally, the consumption tax is calculated after all duties and taxes are calculated on a CIF value.

So that, Sir, when we look at List B under the Customs Tariff (Amendment) (No. 2) Order and to see the items that Government purports to provide protection for by the imposition of 100 per cent surcharge, we begin to realise the difficulties that will be envisaged by these industries because a uniform 100 per cent surcharge across the board does not take into account that items ranging from as wide a range as flour, wheat, margarine to fruit juices, baby napkins, women's and girl's blouses and other garments to sugar confectionery not containing cocoa to bobwire, and items ranging as far and wide as these where the cost structure will also range far and wide that you cannot guarantee that the imposition of 100 per cent surcharge will allow those items coming in from extra-regional sources to come in at a higher price than what they are being produced at locally.

Sir, in effect and I give you the example of t-shirts from China where one can source t-shirts from China as cheap as U.S.\$1.80 a dozen. Even with a 100 per cent surcharge, those t-shirts are going to enter Barbados at a much lower rate than any local garment manufacturer can produce them. What is going to happen, Sir? Let me say this now. The garment industry is already only at 22 per cent of what it was at in 1986. Are we now going to destroy the remaining 22 per cent that exists in one fell swoop, Sir? While the long term goal is to strengthen efficiency, let me say this and it is the same point that was made in respect of the Incomes Policy. For us to try and bring about competitiveness within our productive sectors without directing our minds first at fiscal reform is an exercise in a waste of time. It is an exercise in futility because at the end of the day, if your manufacturer or your user or provider of services cannot access his input at the same cost that another producer from another country will access it, then we will never be able to be competitive. To put it another way, Sir, if our unit costs of production exceed the international averages in the large manner that they do because of Government's level of indirect taxation, we are going to be in trouble. What is significant, Sir, is that it is in this List B that we see things derived from agro-processing and manufacturing. We see that it is those two industries that are going to suffer immediately from the job losses and the flood in the market that will take place. What is more, Sir, is that any Government that normally will deal with the question of the protection of these industries by way of a surcharge, as with the Trinidad Government who has recently put in place a number of these same policies to open up or reform its trading system, saw to it that they had access to different ranges of tariff protection in terms of the percentage.

Indeed, Sir, there are some instances where the Trinidad Government has provided protection to the order of a 400 per cent surcharge in order to protect its domestic industries so that its job creation could continue and more importantly that no job losses would ensue.

Sir, the case is clearly there for moving away from the approach of a single 100 per cent surcharge to what that bears reference to the cost structure of the particular goods that you are dealing with, Sir. Then there is the whole issue of this matter. Is it sufficient just to allow for a 100 per cent surcharge protection given the consumption patterns of Barbadians where there is an attraction to purchase anything that is foreign? Sir, in my estimation, there is likely to be a result that from the time you open up the market, particularly as it relates to this agro-processed stuff and clothing products that there will be people who will purchase the goods even if they are slightly more expensive than locally manufactured goods mainly because they are foreign made. There is likely to be a decrease in any event of what is being capable of being sold by the local manufacturers. That is in respect, Sir, to the protection of the 100 per cent surcharge.

In respect now of the non-tariff protection that is purported to be provided under List C, Sir, once again we can see the Government at the very least trying to protect agricultural produce but not totally. If we look at the Miscellaneous Controls (General Import Licence) Regulations from 1983, we will see that there are some commodities of vegetables that are not included in the 1993 Order that was stated in the 1983 Order, leaving the deduction that they will now be subject to neither tariff or non-tariff protection under this new system. Once again we have to watch very closely what is going to be the position in respect of our agricultural produce, particularly given that this Government has failed to articulate any agricultural policy and given the fledgling status of the new merger of the Barbados Marketing Corporation and the new ADC, Sir.

In respect, Sir, of the general position of trade reform, I have said that Government is in a way putting us in difficulties because it is asking us to impose and accept these trade reforms without doing the necessary pre-conditions to protect the integrity of the system and to protect the jobs within the various industries. Not only should we have addressed the issue of fiscal reform before we dealt with this trade reform, but we should have already legislated fair trading laws that would prevent the kind of dumping that would take place within our economy once you open up these markets to external sources with only limited protection as we are doing. It would also provide for a level of consumer protection legislation which has been laying down I believe in the Ministry for however long, but it is still not law. Yet, the trade liberalisation will take place before that can even become law. It is my contention, Sir, and I see the Honourable Senator who had the responsibility for the drafting of the legislation looking at me. I am sorry, Sir, that he did not have the honour of putting it down before he completed his circular motion now going back to the Minister of State in Economic Affairs from September 1st I believe and he would not have had the opportunity to introduce that legislation. But,

Sir, that is a necessary pre-condition to the success of any trade reform. Because in the absence of those consumer protection laws, we are going to have a situation where substandard goods can get into the market and there will be no sanctions. There is no product liability established within the laws of Barbados. There is nothing that one can do as a consumer if one is affected unless one receives actual harm. Therefore, one would have to go under the general law of tort and that is not good enough.

Aside.

SENATOR Miss M. A. MOTTLEY: I do not want that kind of work where people are getting injured so, particularly when people's incomes are reduced and their actual spending power has already been effectively reduced by this Government. The result is, Sir, that when they go into a supermarket they will fall into a position where they will end up buying the cheapest of substandard goods if only to make the dollar stretch. And especially now where even the ... we will wait and see what we expect to be the position in respect of the prices and incomes policy that all the hullabaloo is being made of.
6.50 p.m.

But, Sir, it is going to be interesting. Suffice it to say that for now without wanting to put 'goat mout' on anybody or anything.

Sir, in effect I am saying therefore that it is strange that the Barbados Government would wish to bring about this level of trade reform without ensuring that its fiscal reform had taken place, without ensuring that it had had the opportunity for the great reams of consumer legislation that it has drafted within the Ministry to be brought to Parliament, without ensuring that the fair trading laws that it needs are drafted and then brought to Parliament whether it be anti-dumping legislation or laws relating and restricting monopolies and trusts. All of those things, Sir, should have been in place and this leads me to the inescapable conclusion that once again today, indeed for the fourth time today, we are being asked to debate legislation that has been forced upon us from Washington DC mainly because this Government wishes to satisfy a time table to draw down \$20 million.

Sir, it is a hell of a thing when you are that hard-up for money because for all the years, whether under this Government, under the former Prime Minister Errol Barrow, or whether under the previous Labour Party Administrations under Tom Adams and the Honourable Bree St. John, Sir, we have resisted all efforts by the International Institutions for us to open up our markets in the manner in which we are now doing because we believe that at the end of the day while we needed a strong export market that it was imperative that you created a

certain level of local protection if only to preserve the number of jobs within the society to prevent the level of social decay that we are now beginning to see.

It is our contention, Sir, that it is only a Government that is devoid of all concern for poor people and devoid of all concern for the preservation of the social fabric of the country that could want to inflict more job losses at a stage when unemployment has already taken 35 000 jobs from people. The funny thing is this: it is one thing, Sir, when economic problems are caused because of bad management or bad planning or whatever or matters of economics but it is another thing when a productive sector starts now to be affected by social problems that emanate from poverty and unemployment whether it be crime, whether it be lawlessness, lack of productivity, whatever it is. And that those social problems, unlike functions of economics cannot be solved over night or within a few months. Those then take a generation to be solved so that you have provided and you have laid an environment where it becomes almost impossible for you to reform your economy because your economy is now suffering from social problems that require a generation or two to remedy because of the mindset it creates for the people involved.

Sir, it is the contention of the Barbados Labour Party that at this stage to open our economy up to the level of trade reform that is being proposed, without the prior fiscal reform and other forms of legislation necessary to protect our markets and our consumers and to do so at a time when we should be looking to foster job creation and not cause further job losses is madness and can only be the actions of a Government that is desperate for funding from any sources and under any conditions.

Sir, were I in a different place I would describe it as different nocturnal activity. But, Sir, knowing better I would not demean the Chamber by referring to it as being akin to the oldest profession known to mankind, Sir.

Generally, Sir, what is also important. Up to today nobody can export rice or beef to Japan and yet Japan is one of the biggest exporters in the world. There is no developed country that does not protect some element of the structure of its productive sectors from outside forces but we believe that little Barbados can do it and survive. That a manufacturing industry in garments that is already at a level of 22% of what it was in 1986 can do it and survive, that our manufacturing industries and export industries totalled were exporting \$496 million in 1986 and down to less than \$248 million now can do it and survive.

Sir, it is folly and the Government will pay dearly for it. And, Sir, I will use one or two specific examples. A company Rainbow Whirl, Sir, which manufactures records and other forms of cassette tapes etc., does not receive

protection under either List B or List C. Are we saying now that cassette tapes etc., can enter the market just on the normal duties that exist without any further protection from Government, Sir? What is to become of the 30 to 40 people who are being employed up there at Applewhaites in St. Thomas? And that is just for a small example because when we examine the price at which we can source cassette tapes and have them manufactured overseas, even with the 100% surcharge which it is not benefitting from, but even were they to benefit from the 100% surcharge we can still bring them into the country cheaper. What is going to happen with those drugs? The other limb of that establishment, Sir, we have already seen has gone to Guyana to manufacture paper because of other problems here relating to Government's indirect taxation structure.

I am not holding any brief for any one, Sir, but that is an example. Let us look at the other manufacturing entities such as Catelli and those that are making pasta products that is one of the items in this section B. Even with 100% surcharge pasta products are going to come in here cheaper than what Catelli can make them at. Why? Because they are subject to the high energy costs which are subject to the high consumption taxes that Government has placed on energy in this country. They are subject also to the other high input costs because of Government's indirect taxation and as repetitive as it may seem, Sir, at the end of the day unless this Government does something about its indirect taxation structure, and I am saying this in the context that I know they are going to tell me they are going to reform it next year when they introduce VAT but that may be too late because between now and next year a whole bunch of products are going to enter this economy. You tell that, Sir, to the thousands of workers in the various industrial estates across this country, who, if only for no other reason we have a duty to ensure their continual employment particularly when the social security system can no longer provide the benefits that it was providing for 20 years and particularly when Government has already reduced the rate of severance, reduced the rate of unemployment benefit, carried up bus fares, carried up everything else.

Sir, at some point this Government has to sit down and determine whether it has a conscience and to what extent it can continue to do these things. I believe, Sir, it would like to have a conscience. I really believe it would like to have a conscience but I believe, Sir, they have so backed themselves into a corner and have not in 2 budgets talked to us about funds and put into the Estimate funds they were getting for structural adjustment and never got them that they have to ensure that they get something now. To that extent, we see a whole host of items before us which we have dealt with today to meet that policy agenda before the World Bank and IMF Meetings start next month and next month starts next week so they will have

something to carry and be able to say look at what we have done. Sir, I would have hoped that in 1993 we could have said as Eric Williams would say "Massa day done". But it is clear that the recolonization process is continuing, is vibrant and that this Government is continuing to be directed by Washington DC. It is unfortunate particularly given that this Government has come out of a history where the former Prime Minister said that one day we would wake up and find that the seat of power had moved from Barbados.

7.00 p.m.

It is becoming more and more self-fulfilling for the Democratic Labour Party Government, and it is a pity. I would hope, and I would only urge at this stage, that Government review the current list, both under the Customs Tariff (Amendment) (No. 2) Order, 1993 and the Miscellaneous Price Controls Order, the List B and the List C, so that those lists can be widened; that they look and ensure that a broader and more flexible rate as it relates to the surcharge be implemented so that the 100% is not the only rate, and that those rates they implement reflect the nature of the cost structure of the items contained in the Customs Tariff (Amendment) (No. 2) Order, as Trinidad has done where their highest rate runs up to 400% surcharge; that they also look at ensuring that all the vegetables and food commodities that were contained in the Orders of 1983 under the Miscellaneous Controls (General Open Import Licence) Regulations be contained in the 1993 Order as well; to ensure that total protection to your agricultural sector; that they also ensure that if they want to proceed upon this that they proceed with haste with fiscal reform so that the Barbadian producer or manufacturer can access and source his inputs at the same cost that the producer in Trinidad, or Jamaica, or wherever else in the world can do so without having to pay that increased cost because of the large tiers of indirect taxation.

With those words, Sir, I would only caution the Government to look at these matters again so that they do not bring upon us the level of further job losses that this country can well do without and to ensure that there is some level of compassion also in terms of how they determine their economic policy especially as it relates to increasing the levels of unemployment and under employment and how that relates to poverty.

With those words I find it impossible to support this amendment at this time.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I do believe there are certain realities that we must address. If we are talking about structural adjustment within the economy, it means that we have to find new things to do, and also new ways of doing old things. It is true that the economy is dynamic, which means that there are new industries entering and some industries leaving the

economy. We cannot assume that because we lose some industries there will be an overall net loss of jobs.

Right now in Barbados we know only too well that there are many people who, in spite of all the protection, still do not purchase garments in Barbados, but because of the high protection given to the garment industry in Barbados they find it economical to pay plane fare and go to Miami, Puerto Rico or Margarita and do their shopping and come back and sell, even in spite of the cost, and it makes it competitive. On the other hand, we have not been able to derive all the benefits that we should from the tourist industry, because of the existing duties imposed on items which tourists are likely to buy.

To the extent that we are able to remove some of these impositions, either the negative list, licences and/or reduced duties, and make these items more attractive to tourists, it is conceivable that more employment could be created in the distributive sector to at least compensate for any loss of jobs which might occur within the manufacturing sector. This is a distinct possibility and one that we must address, because right now, even as things stand, we are encouraging people to leave Barbados and go overseas to shop.

The point made about fair trading laws is an area that has been engaging our attention and we intend to pursue this. I know that the Minister of Trade has been looking at anti-dumping legislation and the Ministry of Consumer Affairs was engaged in looking at price fixing in conjunction with the Ministry of Trade. Consumer protection legislation is now being certified by the Attorney General's Chambers and should be going to Cabinet and to Parliament in the not too distant future. This should go a long way in giving additional protection to the consuming public of Barbados.

There is one item now currently listed under List B, soft drinks and the like, and I want to assure the Chamber and those who are listening that we recognise that for the soft drink industry, even in spite of the 100% surcharge, it will not be sufficient to offer protection to the local soft drink industry, and as a caring, concerned Government we are putting soft drinks on List C which will require a license, in addition to the tariff wall, to bring them into Barbados. A special case, being dealt with in a special way, by a special and caring Government.

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

The question was put to the Senate and agreed to.

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

The question was put to the Senate and agreed to.

SENATOR THE HON. Dr. C. D. CLARKE: I beg to move that this Bill do now pass and be cited as the Consumption Tax (Amendment) (No. 2) Act, 1993.

The question was put to the Senate and agreed to.

ORDER NO. 8 – THE LOCAL LOANS
(AMENDMENT) BILL, 1993

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, this Bill seeks to raise the limit for the local loans from \$550 million to \$997 million. The major reason for what appears to be a rather steep increase is an attempt to reduce the indebtedness of parastatals to the Barbados National Bank and also to provide a margin for additional borrowing of about \$130 million.

As it now stands, the BNB has a debt outstanding to it by the highly indebted plantations of \$212.4 million, in addition to which the parastatals, such as Arawak Cement Limited, owe the BNB \$13.3 million, the Barbados Agricultural Development Corporation \$22 million. I am rounding these figures.
7.10 p.m.

The Barbados Agro-Processing Company Limited is a company that got started with all sorts of liquidity and superb management. If there was a company that was not destined to fail, this is one that should have not failed in terms of the historic success in management and also the amount of capital that was placed at its disposal... Barbados Agro-Processing Company with \$3.6 million, Barbados Tourism Corporation, Hotels – Heywoods Hotel \$3.6 million, Hilton Hotel \$5.9 million and I mentioned the Barbados Sugar Industries Limited, Caribbean Air Cargo Limited \$69 million, Caribbean Sea Island Cotton Industries \$9 million, NPC \$3.8 million, Transport Board \$10.4 million. So it is an attempt to put the Barbados National Bank back on the commercial banking footing that this measure will allow the Central Government to substitute its Letters of Credit and put the Barbados National Bank in good funds and retire the Letters of Comfort which the Bank holds for these companies.

Sir, there should not be any controversy about this Bill. I beg to move that this Bill be read a second time.

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

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I beg to move that this Bill be read a third time.

The question was put to the Senate and agreed to.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I beg to move that this Bill do now pass and be cited as the Local Loans (Amendment) Act, 1993.

The question was put to the Senate and agreed to.

ORDER NO. 9 – TO MOVE THE SECOND READING
OF A BILL TO PROVIDE FOR THE REGULATION,
DISTRIBUTION AND CENSORSHIP OF FILMS
AND MATTERS RELATED THERETO

Mr. PRESIDENT: Senator Mrs. Barker-Welch.

SENATOR Mrs. M. BARKER-WELCH: Thank you, Mr. President. The Films Bill, 1993 before this Chamber seeks to repeal the Cinematograph Films Censorship Act of 1940. This Bill is introduced against a background that during the last 25 years Barbados has seen the on-rush of technology which makes the 1940 Bill archaic even in the language, because we have now got language of video, video cassette, satellite and so on. Government has therefore decided to put legislation into place to deal with the various facets of the film in this country.

This new Films Bill, 1993 provides for the regulation, distribution and censorship of films. The major changes in this Bill are the definition of the word "film" which now includes not only cinematograph film but video tapes and other media from which may produce visual images and viewed as moving pictures. It also extends the powers and duties of the Film Censorship Board to include the censorship of video tapes and also a new system of classification.

The Films Bill had been circulated to a great number of organisations and several owners of video houses were interviewed. They submitted their submissions oral and written before a Select Committee which was set up in November 1992 by the House of Assembly.

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

Mr. PRESIDENT: The question is...Senator Straughn.

SENATOR Mrs. A. STRAUGHN: Mr. President, in supporting this Bill, my contribution to the debate will be in very general terms. It is pleasing to note, Mr. President, that Government has shown regard to the upgrading and modernizing of the Film Censorship Act of 1940 to make more powerful legislation concerning film censorship regulation in Barbados. My association with the Bill has been long from 1987 to date when the Board, of which I was Chairman and still am Chairman, looked at a replacement for the 1940 Act which, Mr. Chairman, is older than most of the members of the Film Censorship Board, as it now stands. With this present Cabinet

reshuffle, most of the members of the present Board taking with it the initial draft of this Bill have operated under the portfolios of seven different Ministers and four different Ministries.

When we think of film censorship, we find that in general the term "censorship" evokes strong emotions at all levels especially, Mr. President, when it is attached to the restricting of the viewing of films, and particularly films for adult audiences. Many people misinterpret any censorship as a threat to personal liberty and rights. I attended, Mr. President, an International Conference on Standards in Screen Entertainment in March 1992 and at that conference we concluded that there is more that unites us than divides us with regard to censorship. In looking at standards in screen entertainment with more than 40 countries represented, we realised that throughout the Western World the search for a new theory of standards in screen entertainment is being vigorously conducted almost on a continuous basis. We realised that film regulation in a free society will always present a dilemma because societies standards are always in a state of flux.

Mr. President, it is common knowledge that the whole world is undergoing what we would call an avalanche of change – political change and social change. There is an increase thrust for knowledge. Technology is revolutionizing our way of thinking. We cannot deny people access to opportunities to satisfy their taste for entertainment. But, Mr. President, access and freedom create particular problems for, as we might consider ourselves in the Film Censorship Board, "guardians of society". But in the midst of this flux, Mr. President, we have to ask ourselves if there is not anything we want to protect and preserve, hence the need for censorship in the area of screen entertainment.

7.20 p.m.

We have come a long way since 1940. A long way in everything, including screen entertainment. If we look at some of the measures of the Bill, not many, because we do not want to delay the Chamber for very long and the Bill is very well set out and has been gone into in detail by the Select Committee.

In the 1940 Act the ratings of films put them in categories in which the Film Censorship Board of that time could look at them (a) from the point of view as to whether they were suitable for exhibition; (b) they could refuse to approve the same; or (c) they could approve the same subject with such excisions being made in respect thereof as they might specify or they could endorse them for public viewing.

In the 1980s the Board, which is almost still the same Board up to now, introduced ratings and a rating system of

classification of films under the following categories: (a) Family or General, meaning any age, (b) Parental Accompaniment, PA, meaning that young people could view at the discretion of their parents, and (c) the Adults, restricted for 18 years or over.

Page 6 of the present Act, section 8(a) shows the classifications that Senator Barker-Welch referred to, an upgrading of these classifications just mentioned, thus bringing things much more in line with present day needs and demands.

Another aspect of the 1940 Bill to which Senator Barker-Welch also referred is that the language is archaic and scrutiny of that Act would show Members that that is a fact. The penalties laid out in the 1940 Act were still in British Currency. They were neither negligible sums nor vast amounts of money.

Page 16 in the present Act which we have before us, Section 24(3) and page 21, section 31 those two areas show the upgrading of the fine and a big upgrading that had to be to put it in line with some of the offences that are committed today; and placing the fines in British Currency, we see that in 1940 £100 was \$480.00 which would be absolutely ridiculous when converted at the rate of present day exchange.

The 1940 Act provided for no Chairman and there were certain anomalies that were not corrected by the amendments of 1949, 1950, 1967 and 1970.

Mr. President, I have the honour to have been the Chairman since 1986, and at the risk of being facetious, I ask "please don't hold that against me". The 1940 Act served to achieve a balance between state control and the principal form of public entertainment at that time. It served a purpose for that time. On the question of preservation of moral values, this question is perhaps the bedrock upon which censorship in screen entertainment has always been based and on which the Film Censorship Act of 1940 was formed.

The new Bill which will soon become an Act indicates a willingness on the part of the Film Censorship Board, and by extension all authorities concerned and connected with it, to come to terms with the changes in values, and yet it preserves or it attempts to preserve and keep in line a certain level of quality of standards and values.

Unlike our other Caribbean counterparts, at least 3, Barbados has not yet produced films apart from Government's educational documentaries. Places like Jamaica, Guyana, Trinidad and Tobago, they have produced films. We have been consuming. Barbados is a total consumer of commercial films and therefore it makes us

much more vulnerable to the changes in the film industry in the wider world. It makes us much more vulnerable than the rest of our Caribbean neighbours.

Mr. President, section 3 in its entirety deals with video. The present day concept of film embraces video. Even the most naive would not question. Chronologically the 1940 Act cannot address the growing trend towards video cassette movies.

We are aware, Mr. President, that cinema and video fare currently available has a potentially morally brutalising and corrupting influence on our young minds, or at least the young minds of our people. The Bill shows awareness of the fact that easy availability of films exposing children and minors to pornographic material, violence and scenes which may be viewed as unwholesome, should not be allowed to go unchecked.

Mr. President, it is common knowledge that the regulation of films is becoming a problem at all levels. Film piracy is a severe problem forming one of the causes of conflict in censorship. The Police, and the Customs Department of the Public Service are forced to deal with problems of fraud and other morally indefensible white collar crimes relating to film piracy and to the illegal circulation of pornographic films and motion pictures through the video medium. This Bill sets out to show an awareness of this problem and to deal with it.

Changes in moral values in the entire world are fully reflective, Mr. President, in some films; films which depict the graphic realism of certain sides of life, like gang warfare, drug abuse. This present day trend in screen entertainment is toward the increased emphasis on mindless crime, violence, influx of child pornography; abuse, humiliation and the dehumanising of women among other things. This Act aims at reducing and controlling access to these generally undesirable things.

In an attempt to allay the fears of the clients of our call-in programmes I would venture to emphasise a few points. The Bill does not seek to infringe on the rights and privileges of individuals. Scrutiny of the Bill in all its aspects will show that.

7.30 p.m.

Democracy does not crumble with censorship, as some would have us believe. Composition of the Board has been under heavy scrutiny by our callers and other concerned people. The Film Censorship Board is that human machinery used for the censoring of the films. Some claim that it is not representative of our population. This present Board comprises a cross section of our population, even if we think only in terms of the age grouping.

There have been calls for representation of the Barbados Youth Council on the Board. I believe that if proper representation is made and if the Barbados Youth Council, which is supposed to be the umbrella body representing all youth organisations puts its house in order, some consideration may be given to this call in due course.

With regard to the call-ins about minors and the protection of minors, which is one of the big concerns of the Film Censorship Board and the Bill in general, I should like to say that minors need protection from anything that is harmful. As a counter argument to that, Mr. President, it is sometimes felt and expressed that exposure to these harsh experiences, including certain films, empowers children to protect themselves. There is a school of thought that children develop a hard exterior when they use these exposures as a kind of inoculation against the evils of reality, but still we say concerned people feel that they are vulnerable and that the preservation of their childhood and their childhood innocence, all the innocence associated with childhood, should still be preserved for as long as possible. This Bill seeks to address this issue, even although it does so only partially.

Going back to our call-in programmes, our callers should realise that we are sensitive to the adverse effects that screen projection has on any populace. Hence we try to control, to edit and even try to dilute this diverse impact. We are aware, Mr. President, that films exhibition and consumption in Barbados is now an industry. As we already mentioned, we do not produce, as some of our other Caribbean islands do. Our relation to film is consumption. We consume, and consumption is a business. It is regrettable, however, that often commercial activities take precedence over and eclipse our moral responsibility. We consider public taste, we consider media business, we consider public morality. The society must see the need for exhibitors and producers to display a greater degree of social responsibility. Mr. President, censorship takes into account issues that deal with people's sensibilities and sensitivities.

Just a word about TV monitoring in relationship to this Bill. Sometimes by virtue of its position, by virtue of its concern, the Film Censorship Board agonises along with the rest of the public, or the concerned public, over what happens with TV operations and it is hoped that the Authority or Organisation for which the responsibility of TV operations is vested will put guidelines in place for the effective control of the operations of the TV station. The growth of all-day TV viewing will raise the issue of what acceptable codes of practice should be used and applied.

Mr. President, in looking at the history of the Bill, and with apologies to the calypsonian, we can take one step backward and 2 steps forward. I should like to go back to 1987 and make statements referring to the initial stages

of the Bill. As far back as 1987, in preparation for the drafting of a replacement of the 1940 Act, the Film Censorship Board engaged in outreach activities such as seminars and workshops, even when some members of the public did not realise that there was a Film Censorship Board. These activities and workshops were aimed at sensitising the populace to the work of the Board, and this consultative approach has resulted in the charting of wider scope for effective film censorship to take Barbados, hopefully, right through the nineties and into the 21st century. But with the advancement, and the continuous advancement of technology, we might never be able to catch everything in this censorship net. Given the nature of the subject under debate, I should think that no piece of legislation, however all-embracing, could embody everything that is necessary to make it totally effective. We are competing with technological advances which are many paces ahead of human comprehension.

7.40 p.m.

Because of this continuous change in life and in living, perhaps some of these measures which we here debate, like the Act of 1940, will have outgrown their usefulness in due course, would have become outdated probably in a short time. But I still feel, Mr. President, that they will prove their usefulness in the course of time.

The passage of this legislation I consider a victory for the present Film Censorship Board, members of which have been together since 1986, members of which Board have worked untiringly to see that the 1940 Act was replaced, not simply upgraded, Mr. President. I think that this piece of legislation is a step towards the acceptance of our social responsibility. It is an attempt, however small, at the preservation of some of this society's moral fibre.

Mr. President, I wholeheartedly support this Bill.

SENATOR Mrs. V. C. FRASER: Mr. President, I think it would be remiss of me as one who has been in this fight for a better display and portrayal of individuals, especially on the electronic media, television, and in the newspaper, and also a going concern with women's organisations so that better representation could be made by the Board through the changing of laws, not to say a few words. My words will be very short.

I first of all should like to congratulate the Chairman and the Board and the Select Committee. I think we now have something that we can really grapple with, because we have it in legislation. But no legislation, however great and well thought out it might be, can be instrumental in assisting the development of people, except the people themselves get involved.

I would like to see that this legislation is aired and explained throughout the length and breadth of this country so that people will be able to understand what they are in for if they continue with the infelicities, the disgusting behaviour of buying all sorts of films and putting them on our television where our children's morals can be destroyed.

I also want to say that advertising is something in which people only think of the money, but we have to begin to think about morals, instead of just thinking that if we do not get so much advertising we cannot carry on a TV station.

Aside.

SENATOR Mrs. V. C. FRASER: That is true, but you should look also for sound and wholesome advertising. Just like how radio stations, like Faith FM, carry on but they carry on with wholesome advertising.

I again want to welcome the legislation and I sincerely hope that my call for the legislation to be known, because sometimes we do good things and they are kept under a bushel, and that the media will help the Board to spread this legislation and people will be able to understand now that some of the things we could not do before, especially with the pornographic type of video presentations with school children and so on, that we can now have some teeth in the legislation to act upon this. I believe that this will help to enhance the moral fabric of our society, because our society's future is in the hands of the young people.

Thank you, Sir.

SENATOR Mrs. M. BARKER-WELCH: Mr. President, I now move that this Bill be now read a second time.

The question was put to the Senate and agreed to.

On the motion of SENATOR Mrs. M. BARKER-WELCH, Mr. PRESIDENT left the Chair and the Senate went into Committee on the Bill, His HON. SENATOR J. J. PAYNE in the Chair.

Mr. CHAIRMAN: The Senate is in Committee.

Part I, Clauses 1 and 2, were called and passed.

Part II, Clauses 3 to 17, were called and passed.

Part III, Clauses 18 to 28, were called and passed.

Part IV, Clauses 29 to 38, were called and passed.

The Schedule was called.

SENATOR Mrs. M. BARKER-WELCH: Mr. Chairman, I beg to move that the Schedule be the Schedule to the Bill.

The question was put to the Senate and agreed to.

On the motion of SENATOR Mrs. M. BARKER-WELCH, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motions of SENATOR Mrs. M. BARKER-WELCH, the Bill was read a third time and passed.

ADJOURNMENT

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

The question was put to the Senate and agreed to, and Mr. PRESIDENT adjourned the Senate accordingly. 7.50 p.m.

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