
THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1991 - 96

SENATE

Wednesday, February 24, 1993

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, February 24, 1993, at 12.05 p.m.

PRESENT

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

His Honour Senator J. J. PAYNE, (Deputy President)

Senator the Honourable L. V. H. LEWIS (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. Frank W. ALLEYNE

Senator Mrs. M. BARKER-WELCH

Senator Dr. E. A. SIMMONS

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

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

Senator C. O. WILLIAMS

Senator J. G. BELLAMY

Senator J. A. F. COLE

Senator T. E. BARKER

Senator Miss M. A. MOTTLEY

Senator T. C. BECKLES.

Prayers were led by Rev. E. Massiah.

Mr. PRESIDENT: The Senate is in session.

PRESENTATION OF PAPERS

Mr. PRESIDENT: Senator Lewis.

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

Land Registration (Suspension) Order 1993.

PUBLIC BUSINESS

ORDER NO. 2 - RESOLUTION TO APPROVE THE BORROWING BY GOVERNMENT OF US\$12 MILLION FROM NATIONAL WESTMINSTER BANK PLC, THE ROYAL BANK OF CANADA, THE BANK OF NOVA SCOTIA AND THE CANADIAN IMPERIAL BANK OF COMMERCE TO ASSIST IN FUNDING THE GOVERNMENT'S CAPITAL DEVELOPMENT PROGRAMME.

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, this Resolution is seeking the approval of this Chamber to borrow the sum of US\$12 million from a consortium of banks which include the Royal Bank of Canada, the Bank of Nova Scotia, the Canadian Imperial Bank of Commerce and the National Westminster Bank PLC which will take the lead position in this loan.

Perhaps some background information would be appropriate at this time, Mr. President. We have witnessed, after a period of rapid expansion from 1985 to 1989 that during this period the gross domestic product grew at a rate of about 3.2 per cent per annum. Since then, economic growth slowed as the economy reacted to the global economic recession, the fall off in tourist arrivals occasioned in part by the Gulf War, and of particular importance here, is the bunching of debt service repayments in 1990/91.

As you are aware, Mr. President, the public sector contributes significantly to the growth of the gross domestic product and we find here that in the year 1989 the debt service... Perhaps we can start about 1987. I am here talking about the external debt and the service payments. The debt service in 1987 was \$269 million. The outstanding balance (and this is the foreign debt at that time) was \$1 181.7 million. In 1988 the debt service for that year was \$251.9 million and the total balance of the external debt was \$1 153.5 million. In 1989 the debt service was \$210.7 million, the balance outstanding \$1 098.9 million. In 1990 the debt service reached the highest point ever of \$303 million with a balance outstanding of \$1 079.7 million. In 1991, the debt service was \$298.9 million with a total balance outstanding of \$1 078.6 million.

It is clear then that there was a bunching of the debt service reaching all time highs during this period and at the same time there was not a corresponding inflow of capital to offset these outflows. The net result of this is that for our capital works programmes there then was not sufficient funds to sustain the same level. So something had to give. We could not continue growth at the level which we had experienced between 1985 and 1989.

The net result of this was the undertaking of a stabilisation programme with the International Monetary Fund and from all reports the recommendations which were suggested by the International Monetary Fund have been put in place and as a result, during the last 2 quarters of 1992 the key economic performance ratios within the economy have out-performed the target levels as set by the International Monetary Fund. The IMF Stabilisation programme is scheduled to end in March of 1993.

It is also heartening to report that Government's financial position continued to strengthen during the first 9 months of 1992-93 and this was achieved primarily by Government pursuing a rather tight fiscal policy.

We are aware, in spite of comments made from time to time by detractors, that Government in this society has been relied upon to prime the pump for economic growth. At times when there has been a fall off in gross domestic product occasioned by Government we have seen the snowballing, the cumulative effect, of this throughout the economy. If indeed we are to sustain a reasonable level of growth, it is imperative that Government undertake a capital works programme which will do 2 things:

- (1) It will bring some of the unemployed back into the labour force and,
- (2) Through the Capital Works Programme, it will also add to the capital formation of the country.

12.15 p.m.

Too often in the past all of Government's expenditures have been perceived primarily and solely as consumption expenditure and no attempts have been made to differentiate between consumption expenditure and investment expenditure or expenditure for investment purposes. I have already said in this Chamber, Mr. President, that in the private sector when a firm undertakes capital development you will find that the loan and fixed assets appear on the balance sheet and only in the given year that part which is used up via depreciation will appear on the income statement. However, with Government, all expenditures are treated as though they are for consumption purposes and neglecting the role of adding to Government's overall capital formation. It was only last week that we introduced another Resolution here for a loan and this was for the productive sector.

Sir, this loan is to enable Government to get on with the Capital Works Programme. I would add at this point that this is the debt profile. This is a document of the external debt and debt service up to 1992 to 1998 put out by the Statistical Section, Research Department of the Central Bank. This shows that the debt profile at this point by 1996 will be \$163.5 million. That includes principal and amortisation with the balance of external debt in 1996 at \$553 million. This is almost half of what it was in 1990 and the debt service is about one-third in rough terms of what it was in 1990. The burden of the debt in 1996, given the current profile, would not be as difficult to service as it was in 1990.

In terms of the feature of this loan, the facility will be available for drawing for a period of 6 months after the date of the signing of the agreement and drawings will be taken down in minimum amounts of U.S. \$3 million. The amortisation will be 3 years from the date of signing and will be in accordance with the following schedule: Twenty per cent of the amount of the loan (that is U.S. \$2.4 million) 364 days after signing, 30 per cent of the amount of the loan or U.S. \$3.6 million on the second anniversary and 50 per cent of the amount of the loan or U.S. \$6 million on the third anniversary unless the facility is extended. The facility may be extended at the bank's option for a further period of 2 years. There is an element of a balloon payment whereby that at the end of the 3 year period the banks may, given the financial climate, consider rolling over or extending half of the loan for an additional 2 years.

The interest rate will be LIBOR, that is the London Inter-Bank Offered Rate plus a margin of 1.7 per cent for years 1 and 2 and a margin of 2 per cent for year 3. There is the standing commitment fee of 1 per cent and this will be payable in arrears on the undrawn and uncanceled portion of the facility.

In short, Mr. President, we are seeking this facility to get on with our Capital Works Programme to add to

capital formation within the country and by so doing to increase employment opportunities within the society without severely affecting our foreign exchange position since the loans coming in will be in foreign exchange.

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

Mr. PRESIDENT: Senator Barker.

SENATOR T. E. BARKER: Thank you, Mr. President. I am in a rather difficult position in that I would want to support the loan primarily because I want to see the country get moving again; I want to see capital works restarted. I am tired of driving on Highway 2A and other bad roads. I am tired of seeing half-finished projects all over the island. It is an eye-sore. I am tired of the terrible state of transport in this country. So I am a bit happy that the Government, at least on paper is seeking to do something about the Capital Works Programme. On the other hand, as a loyal and proud Barbadian who loves his country dearly with a passion, I am extremely disturbed at this particular loan. I see it as an insult to me as a Barbadian.

Sir, as far as I know, we have always stood firm to our international commitments. Nobody can say that we have ever borrowed money and refused to pay back. At this point, Sir, we know that other people owe us money who are not paying us. We have always honoured our international obligations. No matter which party is leading the Government we have always made sure that we can walk with our heads high. Sir, the point I want to make is this. Why then in spite of our record over the years that we could borrow money from Independence do these 4 banks, 3 of which have been in Barbados for about 75 years or more, have to impose such terrible conditions for a few pennies? They have made enormous profits from Barbados and they have stayed here not because they like Barbados but because they are doing well. I used the words "a few pennies" because \$12 million is not a bundle of money. I mean for a government. I do not mean for you, Sir, or me. I am talking about for a government.

Aside.

SENATOR T. E. BARKER: Sir, I say that advisedly. The point I want to make is that this is peanuts because our foreign debt is over a billion dollars. We have never yet, as I have said before, reneged on our commitments.
12.25 p.m.

Why are they imposing such terrible conditions for \$12 million? You are talking about money for capital works. You are given 6 months to draw down the money and within 6 months after you draw down the money they are asking you to repay it? For capital works? Sir, we know from experience that if you are building a road, and if Highway 2 is anything to go by, before all the money is

paid back the road would not be started. The point I want to make is that the execution of capital projects does not happen overnight. There is the planning stage, there is the contract stage, the implementation stage – all different stages. So that by the time we have paid back the \$12 million very little capital works would have actually been executed. A period of 3 years for repayment is foolishness. It has to be wrong. Three years for us who have never yet defaulted on our loans? Before the ink is dry on the contract they want back their money. What is that telling us, Sir? It is telling us that, in spite of the fact that 3 of the banks operate here, they have no confidence in the present Government's ability to manage the affairs of this country. Otherwise, Sir, they would not be insisting on such stringent and harsh conditions.

In spite of the fact that they themselves know – and I am sure the Honourable Minister who presented it knows – that the conditions are too harsh, the Government is going ahead, which only points out to me the straits in which the Government and the country find themselves. The fact that they have no option but to accept this loan is an indication of the terrible economic situation in which we find ourselves. I take no joy in this, because it is going to affect me and every other Barbadian. This is a serious matter, that Government, in spite of our record in the international community, has found itself in the position now where they have to accept rubbish from 4 banks, not one, getting together to lend us Bds. \$24 million, \$6 million per bank. They have so little confidence in our ability to repay that before the ink is dry, as I said before, they are insisting that they must have their money back.

Not only that, Sir. There is the question of the interest rates. I am not sure what the LIBOR rate is now, but I am told it is around 8%. So we are borrowing this money at something like 10%, which is pretty high, especially when international interest rates are at about the lowest they ever were. I know the interest rates in the United States of America are very low as a matter of policy, so not only are they insisting upon a very short repayment period, but they are making sure that they extract almost usurious interest rates on the people of Barbados and we in this country can do no better than to accept this rubbish.

The question is, Sir, where is our pride? Where is the national pride that would force us to accept this particular loan? Are we selling ourselves short or have we reached so low in the international community's esteem that we find ourselves in this position? The Government has been having trouble with this loan, I am told, for the past year. If I am wrong, Sir, I am sure the Honourable Minister will correct me. They have been trying to get this loan for the past year, but it is only out of some sort of sense of loyalty that the Canadian banks agreed to this in the first place. If you note, Sir, in December both Houses were called back to discuss what should have been this same Resolution.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I rise on a point of order. I cannot believe that the Honourable Member will fabricate stories like that, but I do not think he should repeat hearsay. This Senate was never summoned to discuss any such loan, so that both Houses were never summoned.

SENATOR T. E. BARKER: The point is, Sir, that this loan was coming here in December, but they had difficulty getting the loan at the last minute, so it was put off until now. I am sure the Honourable Leader of the Senate will not dispute that fact.

Mr. PRESIDENT: Is that what really happened, Senator Barker?

SENATOR T. E. BARKER: Yes, Sir.

Mr. PRESIDENT: I see. All right.

SENATOR T. E. BARKER: Sir, if I am wrong I am never one not to accept gracefully, but I know I am right. The point is that the Government has been having trouble raising loans in the international market. If you can remember, in last year's Estimates, Government said they were going to raise \$79.2 million from the international organisations, including \$43 million from the IADB, \$8.8 million from the World Bank, \$9.6 million from the CDB, \$12.3 million from the European Investment Bank and a few others, which brought it to \$79 million. In other words, Government was saying they were going to raise \$79.2 million from these organisations to help with financing their projects during the year. I want to know how much of this money really came through, because we hear of Government having all the problems getting money, especially from the IADB and the World Bank, because obtaining loans from these organisations was dependent upon the structural transformation that was supposed to have taken place in the economy.

Since we are about 6 weeks from the end of this financial year, I would like to know how much of this \$79.2 million really in fact came through. I want to suggest that the reason why Government had to accept this loan was because all the expected financing never really materialised and this left Government in dire straits. Added to that, in this present financial year Government was to have realised a lot of money from the sale of assets, but we know that Government miscalculated, because you cannot sell ICB like that, it has to go through a whole process which is going to take a long time. You have to have it valued; you have to change the legislation; all these sorts of things. So if Government thinks that within a day or 2 they are going to sell the ICB, the NPC or whatever they are selling, they are wrong. So Government miscalculated, through ignorance I may say, the amount of time it would have taken for these assets to be got rid of. That left another hole in the Government's budget.

I am glad for that, because I am sincerely hoping that it takes so long to sell these assets that by then the Government would have changed and that the new administration would reverse that foolish policy of selling all the family silver. I hope it takes longer than 3 years to sell these things so that the people of Barbados will not be sold down the river any more. The reason why Government has to accept this loan is because of these factors.
12.35 p.m.

The other thing I would like the Minister to tell us is whether Government has got all of the money from the IMF. The latest information that is available to me suggests that the review was to have taken place. I am reading from paragraph 34 of the Letter of Intent which is now a document of this Chamber. Before November 15, 1992 a second review was to have been carried out. It says:

"The second review, to be completed before November 15, 1992, will assess, in particular, progress made in structural reforms with respect to taxation, administrative regulations, the public enterprise and the financial sectors, and the tariff and trade regime."

Now, Sir, I am hearing that the second review which was done in November which was not a quantitative review but a qualitative one... The IMF has certain targets which were met but I am told the qualitative targets were not met. The result is that there is still, I think, about 9.2 million SDRs which was part of the IMF agreement and which has not yet been made available to Barbados. If I am wrong, I would be glad. Perhaps Senator Dr. Clarke when he sums up will enlighten the Chamber as to the true condition of that IMF loan. The whole country wants to know because the interest rate is just over 5%. If the interest rate is just over 5% and we cannot get any money how is it that we are borrowing at almost twice the interest rate? That is a point I am sure the Chamber would like to hear about.

The Minister in his presentation made a lot of statements and I am going to take the opportunity to highlight some of what he said and show him the error of his ways. A lot of them were, in true DLP fashion, a lot of propaganda. The "P" in DLP stands for Propaganda.

Mr. PRESIDENT: Senator Barker, this cannot be permitted. You will withdraw those remarks.

SENATOR T. E. BARKER: I have no problem withdrawing them, Sir.

Mr. PRESIDENT: Well, then, if you have no problem with withdrawing...

SENATOR T. E. BARKER: I am withdrawing them.

Mr. PRESIDENT: I see. All right.

SENATOR T. E. BARKER: I would also say that the Minister is saying a lot of propaganda.

Aside.

Mr. PRESIDENT: Senator Morrison, I do not need your assistance. I have had a withdrawal of those offensive words by Senator Barker. I accept that. You may proceed.

SENATOR A. MORRISON: On a point of order, Sir. The Senator cannot say that the Minister is preaching propaganda, which is against the rules of this House.

Mr. PRESIDENT: I have not heard that.

SENATOR A. MORRISON: He just said so, Sir.

Mr. PRESIDENT: Thank you. You will withdraw that statement, Senator Barker.

SENATOR T. E. BARKER: Sir, I will withdraw it.

The Minister was less than frank with us in his presentation. He said the GDP grew by 3.2% from 1985 to 1989 and he conveniently forgot to mention 1984 when the growth rate was 3.6%.

Asides.

Mr. PRESIDENT: Continue with your debate.

SENATOR T. E. BARKER: I am debating. I am not saying that he conveniently forgot to mention 1984 when the growth rate was 3.6% but I understand his problem. He has to be political so he must make statements which show a certain political flavour. The economy was growing from 1983. So when his Party took up government the economy was in a growth phase.

Again, we hear about the global recession which slowed us down since 1989. That statement has been made in here on many occasions and the Minister, true to form, has made it again. The point we want to make is that in the last 2 years every other country in the region, even Guyana, experienced good economic growth and the only country which has recorded negative growth – I am talking about the CARICOM countries with the same sort of history and economy – is Barbados. So the global economy has caused the other countries to grow but the same conditions have caused us to be in recession. Perhaps the Minister can explain that.

He goes on to mention the public debt. I want to pause here. Much has been said about the public debt and the records are showing that our external debt at the end of 1992 was about \$130 million less than 2 years ago. The indebtedness of Barbadians to the rest of the world is

declining. That is according to the figure that the Honourable Minister has presented and although I do not trust his figures I know that for a fact... Sir, I take that back. The point I want to make is that I check for myself. In other words I am a good student in that I do not only take what he says but I check for myself. That is what I meant to say, although I did not put it as elegantly as I should have. I checked for myself and the figures are correct and I was surprised that they were.

If our indebtedness to the rest of the world is clean, how is it we find it so difficult to borrow money? If your indebtedness to the rest of the world is declining, explain to me how it is that these 4 banks can only lend \$12 million which is not going to put foreign debt significantly higher?

I want to suggest that our debt management strategy needs to be looked at. At a time when all of our export sectors are declining: tourism is in serious decline and the Minister admits that; manufacturing is virtually non-existent; and our agricultural sector has tremendous problems. Why is it at this time you are paying back, being a net exporter of your precious foreign reserves. Our indebtedness is declining to the rest of the world. We are giving back what little foreign reserves we have to the rest of the world and the consequence of this is that our economy has gone into recession.

The wholesale/retail sector is about 1/5th of our economy. Over 90% of our GDP comes from the wholesale/retail sector which is highly dependent on foreign exchange. So when you have strangled that sector then you have seriously affected your ability to grow. Instead of all this foreign exchange going out of the country some of it could have stayed in the country and the result would be that you would not have to put harsh reins on the wholesale/retail sector. The result would be that our economy would be in a much better state and at the same time Government's revenues which depend heavily on the import/export sector would not be in the perilous state that it is now.

Sir, I should hope that Government will look again at its debt management strategy with a view to releasing foreign exchange to get the economy going.

The economy will not grow in Barbados unless there is an injection of foreign exchange because you would constantly have to be contracting the economy in order to conserve what foreign reserves you have. We are a foreign reserves constraining economy so our debt management strategy should not, in my view, be giving back our foreign exchange to the rest of the world to the extent that we did in the past 2 years because we have seen the effects of it. 12.45 p.m.

The lumber yards are reporting decreased sales all across the island all of a sudden and I am sure a few of them will soon have to shed some staff if the trend continues. I am saying we have to free up, not a total free up but a gradual relaxation. It must be tied in with a strategy for managing our foreign debt in such a way that we would not have over \$130 million going out of the country at a time where our ability to earn foreign exchange is at a very low ebb. That is something the Government has to look at. Some sort of debt rescheduling has to be an important part of our economic policy otherwise 1993 and 1994 will be years where we are recording more negative growth.

I see the Honourable Senator looking at me. I am sure he agrees with me although he might not say so in as many words. I am sure, he agrees knowing that we think alike on this matter. I see him looking at me in a pleasant manner which is very unexpected.

Sir, the recession our economy is in, is also affecting our ability to earn foreign exchange. Much has been said about the export sector especially in relation to manufacturing. The Government's policy in the past year and a half has been to put on controls to force our manufacturers to target the export market more and more. I want to suggest that is virtually an impossibility. If you look at it carefully, at the time when we were exporting a lot of goods, most of the exports were done by multinational companies. We had INTEL, CORCOM and others.

It is going to be extremely difficult for an indigenous manufacturer to penetrate extra-regional markets. Given the fact that most of the regional markets are not in a position to use our goods in a big way, it is extremely difficult for a small or even a medium sized manufacturer to penetrate the U.S. or the Canadian market. Maybe he can do it in a few selective areas but he does not have the skills, the marketing ability or the money because it takes a lot of money to go out there and market goods and a lot of them just do not have the money.

Sir, when you have depressed your local market, you reduce the sales in a strange way. You are not going to force him to seek external markets but rather you are going to force him into bankruptcy because he is not in a position to go out there and even know what the market requires. Our ability then to earn foreign exchange would be curtailed because of the depression in the local market. Until we get the local economy going again, it is going to seriously affect our ability to earn foreign exchange. It is almost a catch 22 situation. It calls for skillful management of our foreign reserves. I want to repeat the point that a debt management strategy must be employed and unless that is done we will find it very difficult for our economy to grow.

Sir, the Minister in his presentation mentioned the fact that Government's finances improved for the first months of 1992. The Minister has figures which go to the end of the year. He even has figures to the end of January. I do not have them but he as a member of Government would have access to the latest information. Why is he only giving us figures to the end of September? Is it because, as I suspect and reasonably believe, Government's revenues have taken a severe battering in the last quarter of last year? I want to repeat, Sir. The Honourable Minister knows the figures. The figures are not published yet but he must know them. Why is he coming in here and only giving us a partial picture when he knows very well...

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I would like to know how the Honourable Senator knows what I know. He is making a statement that I know certain things.

Mr. PRESIDENT: Maybe you told him. Did you tell him?

SENATOR THE HON. Dr. C. D. CLARKE: No, Sir.

SENATOR T. E. BARKER: Sir, the Honourable Minister has never said he does not know the figures because he knows that I know he knows the figures.

Mr. PRESIDENT: Yes, but Senator Barker, this is pure assumption.

SENATOR T. E. BARKER: Sir, but assumptions based on intelligence.

Mr. PRESIDENT: Oh, intelligence!

SENATOR T. E. BARKER: Intelligence in both senses of the word.

Mr. PRESIDENT: I wondered in what sense.

SENATOR T. E. BARKER: I am intelligent enough to know that he knows the figures. The Honourable Parliamentary Secretary might not know them because he is not in the know but I am sure the Honourable Minister knows them.

Mr. PRESIDENT: All right, carry on.

SENATOR T. E. BARKER: Sir, the Honourable Minister only gave us a half picture and we do not want a half picture. If he wants us to support this measure let him give us the whole picture. Do not come and give us figures to the end of September when he knows that does not tell the real picture because Government's revenues have declined in the last few months of the year.

Asides.

Mr. PRESIDENT: All right Senator Barker, proceed.

SENATOR T. E. BARKER: Sir, I am proceeding at my own pace, with all due respect.

Mr. PRESIDENT: Yes, but you do not pause to chat with somebody on the other side of the table.

SENATOR T. E. BARKER: Sir, probably the Minister when he is summing up can give us the figures for the rest of the year. I would love to know them. I do not want to wait until March to know them. I would like to know them now because it would help me as I prepare for the Estimates in a few weeks' time.

Sir, let us turn now to the stated reason for this loan – the capital works programme. The Minister said that the capital works programme was designed to reduce, among other things, unemployment. I have no quarrel with that because I had written, and I have said on many occasions, that we cannot talk about stability in the economy with a quarter of our work force unemployed because that high level of unemployment is itself a destabilising factor.

Sir, when I hear people from the Central Bank, the Economic Society and various others talking I have to wonder because an economist, or anybody for that matter, cannot talk about stability. You cannot say that a programme is working. You cannot say you are stabilising the economy and have more than 25% of your work force not being able to work because their ability to purchase goods and services is severely limited. That, Sir, in itself would reduce the level...
12.55 p.m.

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir, I think the Honourable Senator has said that the unemployment rate is over 25 per cent of the work force. The latest figure which I think we have is 23 per cent which is less than 25.

SENATOR T. E. BARKER: Sir, the Honourable Minister knows that the 23.1 per cent is the figure to the end of September and the Honourable Minister should know by now, Sir, that under normal circumstances the unemployment rate to the end of the year, should have been made available.

The Honourable Minister, Sir, also knows that he knows what the unemployment rate for December is.

Mr. PRESIDENT: Senator Barker, let us have the authority from which you are getting the information that the unemployment figure is now 25 per cent.

SENATOR T. E. BARKER: Sir, the authority is the fact that this is February and by now the figures should be made available. I want to suggest, Sir, that if the figure was less than 23 per cent the Government would have made the figure available. That is what I want to say.

Mr. PRESIDENT: That is not authoritative, Senator Barker, so you cannot make such a statement to the Chamber.

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

Mr. PRESIDENT: I am not having an argument. All I am saying is that you cannot make a statement like that without having some authority for it because we know you would not wish to mislead the Chamber and we should not like you to do so inadvertently. So would you be careful?

SENATOR T. E. BARKER: No, Sir, I stand by my assumption that the unemployment rate is over 25 per cent. And, Sir, I base it on some considerations.

Mr. PRESIDENT: That is all right. If you tell us this is purely assumption...

SENATOR T. E. BARKER: No, Sir, it is more than an assumption.

Mr. PRESIDENT: You said it is your assumption. That is all right go ahead.

SENATOR T. E. BARKER: Sir, it is an assumption based on 2 or 3 facts. One fact, Sir, is that the unemployment rate at the end of the first quarter in most years is above that for the third quarter.

Secondly, knowing the Government, if the unemployment rate was less than 23 per cent which would have represented a declining unemployment by January 1, the public of Barbados would have known that unemployment went down. Therefore, Sir, I am saying it is reasonable to suggest that the unemployment rate has increased from 23.1 per cent otherwise Government would not be so tardy in letting the public know what the unemployment rate is, given the fact that they probably know what the true rate is because by mid-February the Government must know because the data was collected during the last quarter of last year. The data was collected 2 or 3 months ago. The fact, Sir, that Government is tardy means that unemployment is rising. Therefore, Sir, I consider it reasonable to assume that the unemployment rate is more than 23 per cent and I am saying more than 25. I could be wrong. I hope I am wrong. But I do not think I am wrong.

Sir, the point is that Government has got to work assiduously on this important matter of getting unemployment down. That is why I have

problems supporting the loan. But yet at the same time if it is going to mean a couple more jobs I would have to bear it in spite of all that I have said before because to me the important fact is not the IMF or anybody, the important thing in the Barbadian economy is to get the country back to work. Because that 25 per cent or more of unemployed persons if this thing goes on for too long will cause more trouble in this country and will seriously affect all other aspects of our economic life. So it is not only a moral but it is an economic imperative that measures be put in place speedily which would affect a reduction in the high level of unemployment. That is why, Sir, in spite of all my reservations, I reluctantly would not say anything about this particular Resolution although my gut feeling is to tell the 4 banks...

Aside.

SENATOR T. E. BARKER: That is a matter of opinion and your opinion does not matter. So, Sir, the 4 banks could have treated us better.

Sir, I want to make another point. Why is Barclays not in this? Probably the Minister can help me. Is it because Barclays is so angry about what happened with the last loan of \$130 million lent to us in 1990? Is it because the Government did not put the money in a sinking fund as they said they would? Is that why Barclays is not among these 4 banks? I do not know the reason. I can only speculate. Probably the Minister could help me when it comes to that point.

Sir, I want to make one last point. I have always been a stickler for law and order. Sir the financial laws under which we operate require that there is a sinking fund for external debt because the fund will be there so that when we have to redeem bonds and so on some money is there. Sir, these figures are found in the Central Bank publication – Financial Economic Statistics. It shows that since September of 1990 there was no money in the sinking fund for foreign debt. Since September 1990 the figures are showing that the Government, contrary to the law, has not maintained a sinking fund for external debt. Sir, to me that is a source of ruin. I have spoken in here on many occasions about Government breaking the law when it came to the Ways and Means Account and I take no pleasure in pointing out that Government may be breaking the law when it comes to not having a sinking fund for external debt. But from since September 1990, according to the Central Bank publication (and I am sure the Honourable Minister will check that) there was no money in the sinking fund for foreign debt as found in page 65 of the January edition of the Financial Economics Statistics produced by the Central Bank.

Sir, I think an explanation is owed to this Chamber and indeed to the country of why, first of all, if Government is breaking the law. Sir, I would hate to think

that Government is breaking the law in this matter. Probably it is my misinterpretation or misreading of the particular law but all along there was this sinking fund but then since September 1990 there was no sinking fund. Furthermore I would like to know if Government is breaking the law. Secondly, if they are breaking the law, why are they breaking it although we know there is no excuse for breaking the law.

Thirdly, when does Government intend to get the sinking fund for foreign debt back into a legal position. Sir, to me it is very important because quite rightly the police arrest criminals for breaking the law. I am for law and order and I am sure that I take no pride in the fact that at times I break the law myself. Occasionally I may drive at 40 m.p.h. which is breaking the law, but I take no comfort in that because if I get caught I expect to be charged for breaking the law. I take very, very serious exception to any Government, or any person for that matter, flagrantly breaking the law and I think an explanation is due. Maybe I am a law breaker as Senator Alleyne says but the point is that we are not discussing me; we are discussing Government and heckling me is not going to improve the situation. The situation is that Government seems to be in breach of a law and we as law-abiding citizens, as law makers, should take a dim view and see this, not as a matter for smiling, or heckling. It is a serious matter indeed.

Mr. PRESIDENT: Order, order. Order, please.

SENATOR T. E. BARKER: It is a very serious matter indeed and I think the Minister should explain to us the true position of the sinking fund for external debt. I can promise you, Sir, that I will keep on hammering at this until I get it explained.

Sir, we know very well that the law was made for man and not man for the law. Sir, we have heard that statement in here on one occasion. Is it, Sir, another example of this? I do not know. But the point is we cannot tolerate this sort of behaviour any more. So, Sir, with those few comments I will neither say yeah nor nay to this loan because my conscience does not allow me.
1.05 p.m.

Aside.

Mr. PRESIDENT: Senator Morrison, I will not have these constant interruptions.

SENATOR T. E. BARKER: Sir, I will neither say "yea" nor "nay". I hope that in spite of the insult that Government will use the funds wisely because at the end of the day we all want to see our country progressing. We all want to see the unemployment rate down. We all want to see our good name which we have worked so hard

to build up maintained in the international community. I hope that the Minister will take the words that I have said in the spirit in which I have said them and in his own way give us the necessary answers to the queries that I have raised. Thank you.

SENATOR C. O. WILLIAMS: Mr. President, I rise to make a couple of remarks and to ask a couple of questions of the Honourable Minister. Is it customary that money is borrowed for capital expenditure without stating the projects they are for? Is this money being borrowed for projects to be started or is it to pay for projects that have already been completed? In respect of the terms of the loan while an inordinate length of time was taken to make some points, it is a fact that in the international arena the terms of this loan could only be considered to be extremely harsh. I was particularly pleased to hear that Barbados has so far honoured all of its commitments in the repayment of its contracted debts. I am wondering if there has not been some other indiscipline. As a matter of fact, Mr. President, I make bold to say that there has been where Barbados has gone in the international arena and signed for loans (I mean sign with a pen, which is not by word of mouth which should be as good as signing) and has not subsequently honoured what it signed. I believe that to this day Barbados is suffering in the international arena. I am not going to belabour this point, Sir. I am just going to say that I think that due cognizance should be taken of it by the Government and all Governments when they seek cheap political gain by expressing what they think is attractive to what is commonly known as the masses but which comes around to really deal the harshest kinds of blows to the same masses that the cheap political rhetoric is supposed to please. In my opinion, we are suffering from this today in Barbados. It is very fortunate that all of the players are not here to witness it. I cannot...

Mr. PRESIDENT: Senator Payne.

SENATOR J. J. PAYNE: Mr. President, I rise on a point of order. We are discussing a Resolution whereby Government is seeking a loan on the international market. The Senator is making reference to situations where Government sought to obtain cheap political gain and making reference to it. I would really want to know if these remarks relate to this loan which is presently before the Chamber. It is very important, Mr. President, that the House knows that.

SENATOR C. O. WILLIAMS: Mr. President, I thought my description was very clear. It obviously was not. I never at any time said that cheap political rhetoric was in any way concerned with this political loan. What I did say was that the harsh conditions imposed upon the Government in having to accept this loan may be is a result of the Barbados Government not honouring agreements that it had previously signed and which had entailed...

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I am not aware of any agreements which this Government has not honoured and I would wish if the Honourable Senator knows of any that he can make us aware of them.

SENATOR C. O. WILLIAMS: Mr. President, you know that I am not a lawyer so I am not aware of the implications of what I say and what they might do. But it does concern me and I remind Senator Clarke that the World Bank withdrew funds from this Government because the conditions of the loan were not honoured. That is public knowledge. It is to that I refer and we are suffering from it today. That is my feeling very strongly. We destroyed our credibility by having put our pen to paper. We did not "word-of-mouth" it. I say that in regards to things like these. People should consider clearly and think out the long lasting effects of them rather than the cheap political rhetoric.

Whereas (and I go on, Sir) I agree with Senator Clarke that there is some effect of the international economic situation bringing pressure to bear on all parts of the Barbados economy, it would be remiss of me if I did not say that some of this impact, and in particular on the Barbados Government, has been brought on again by cheap political rhetoric when people thought they were doing us a favour but really and truly doing us untold harm. It is an undeniable fact that our neighbours of smaller economies, smaller populations and maybe bigger land mass have made tremendous strides in the last 5 years. I acknowledge they were much further behind us in the developmental stage. But I say this, Sir (and again I do not know and maybe I will be challenged) that I will never forget a prominent parliamentarian in Barbados who got up in 1966 (and I had the displeasure to hear him on a platform) and said: "The beach is ours. If you feel like throwing sand on whoever is on the beach and they are not Bajans, it is our sand and we can throw it. The sea is ours. If you feel like splashing them up in the sea, splash them up. It is our sea."

Mr. PRESIDENT: Senator Williams, I do not see where this is relevant.

SENATOR C. O. WILLIAMS: Confidence – the destruction of confidence in respect of us in the international arena. Sir, there are no 2 ways about it. We have to accept and, as a proud Barbadian, I reluctantly have to accept that this kind of loan is not what Barbados is accustomed to getting. I sincerely hope (and I am not being critical, Sir) but I am striking a note of warning. We are now independent. We have not got anybody to run back to. We are masters of our destiny. I feel that we should, at times of election and at other times, consider that our Minister of Finance has to face the international arena with a certain amount of dignity, confidence and integrity to

get these types of loans and they should consider those things before they say things that may be attractive at the moment. That is all I am saying, Sir.
1.15 p.m.

I realise that the whole situation in the world is a tough one today in respect of this and I will give this Resolution my support, but with the qualification that more integrity and discipline be exercised by those in power or those seeking power so that we do not find ourselves in this situation.

Thank you, Sir.

SENATOR T. C. BECKLES: Mr. President, I rise to support the motion as it stands and to say just a few words. First of all, just to respond to some of the things that Senator Barker indicated, I always feel that Senator Barker knows better than what he is saying but he deliberately says only what he wants us to believe he knows.

It is a fact that the world economy over the last 5 years has changed significantly. One remembers about 10 years ago when countries borrowing money were not actually in the borrowing market. There was a lot of liquidity in the international market and the countries which had excess money were seeking out countries to lend it to. In these circumstances, Mr. President, it is only fair and honest to expect that the terms and conditions of loans would be significantly easier than what it happens to be today, when the world economy has changed and we are now in a lending market where the lenders have the upper hand.

Mr. President, I am sure all the previous speakers would have known some of the conditions that would have brought this about. Countries which hitherto never borrowed money, never indicated that money was important to their economy – and I speak of the Soviet bloc *et cetera* – are now in the fray borrowing money. This means that the supply of money available, even though it might be the same, has a higher premium and that certainly must be one of the reasons why the banks are demanding from Barbados higher rates or more stringent situations than they would have a few years back.

I think this whole idea of trying to infer that some international banker will lose confidence in a country because a few people said that someone got splashed in the sea or got sand thrown on them is to my mind begging some question. All countries, all islands have peculiarities in their internal behaviour that some international people do not accept, but I think that bankers, people whose first priority is to make sure that they get the best returns on their incomes or for their clients, surpass these kinds of things. There is no country in the world that does not have some sort of peculiar behaviour that offends some other country, so I think to try to put a situation where we in

Barbados are competing for loans and have to meet terms and conditions that are probably now what the international market would bear, and to try to pin that down to some statement made by somebody previously is just trying to beg the question.

Mr. President, there is no doubt in my mind that the necessity for this loan is with us and that it will be used to create employment at a time when the economy is able, in spite of Senator Barker's apprehension that we have a reasonable degree of unemployment. It is for that reason that this loan is going to help us, because we are going to be able to spend on capital projects without affecting our foreign income situation. This is the single most constraining factor in our economy today, the fact that we cannot grow at the rate at which we were growing because of our foreign currency situation.

Senator Barker indicated that because of something which happened recently the economy is restructuring from an economy in which it was driven by the commercial sector which required, as he rightfully put it, a high infusion of foreign capital, which we were not earning. So the fact that you had a system which required foreign exchange to be earned – you buy and sell things and you mark them up – and unless there is a corresponding economic structure, manufacturing structure, or tourism or service sector which earns the foreign exchange, then sooner or later that activity in that sector will slow down. I think this is a natural consequence of what happens.

Mr. President, I have no hesitation in supporting the Resolution as it stands. I believe that it is virtuous for us in Barbados to start restructuring our economy so that we can pay our way in the world. I believe that if in doing so we have to borrow at international rates, I know it is to be expected, because, say what you like, Barbados is no longer seen as a developing country. The profile of Barbados in the international sphere is a country that is developed. I heard Senator Simmons a few sessions ago indicating the profile of Barbados in terms of its international status among other countries.
1.25 p.m.

We are placed above at least 4 of the European countries. Barbados is in that ball park and it is going to become more and more difficult for us to get soft loans. Although we do not like this it will impact on us in a way that slows down the speed at which we were going forward. Nevertheless I think it is only fair.

Quite recently I was in a discussion with a person from Israel who was here to look at our economy with a view to assisting. When I went around the country with him he looked and said it was unfair for him to go back and ask the people of Israel to lend us money or

provide aid for us. He said we should be giving to some of the other countries. This is the kind of profile that Barbados has.

I do not think we should expect – if it comes, it would be good – that Barbados will have any of the soft loans that it had previously. We have to accept the fact that over the last 21-25 years we have done well and managed to grow at a rate which has put us at a level of which we are proud and at which the world sees us as a developed country. We now have to start fashioning our economy to pay for the things we used to put us there. This is where the crux of the matter lies.

On the one hand, we are want to say that we have done well and have a reasonably high standard of living and the world appreciates us for this. But what next? Will the world continue to allow us to have the soft loans and grants that go to a country in a less favourable position than we are? I think we will have to accept loans with conditions such as these are. They may be the most difficult we have had to endure so far and I think more and more that we are going to see these things becoming the real norm.

Finally, Mr. President, I want to take up a small point that Senator Barker made. He tried to indicate that something was wrong with Senator Clarke's choosing a particular year to indicate. I think Senator Clarke gave an average picture over a particular period of over 3% which would have given us the level of development that we had. Going back 1 year does not prove anything in economic terms. It does not prove anything politically. If we took the year before, the factors which caused that to be so would have happened at least 5 or 7 years before. You cannot induce any economic growth in an economy that takes place in year 1 that does not have previous activity. One year is neither here nor there.

We were on a continuous growth path. We were halted because of international factors. We had the same thing in the early 80's as well and we will have it again in the future. We are managing the situation well. The unfortunate thing is that we have had a higher rate of fallout of unemployment than we expected and we are now seeking loan funds to correct this. Therefore, Mr. President, I have no difficulty in supporting this Resolution. Thank you very much.

SENATOR J. A. F. COLE: Mr. President, I rise to support this Resolution but there are few things I would like to see because I have not heard them said in quite the same way. I would like to say that we have heard a lot of very useful contributions here today. I do not want to tarry on the negative side. Some points might have been more pertinent than others but we had some good contributions. I would like to add just a few more.

What we are discussing today is merely an ongoing scenario which we will be discussing for years to come. I think this is just one small step, and we are going to be taking step by step. A loan of US\$12 million or BDS\$24 million is not going to turn around Barbados and put us all back to work. It reminds me of that well-known John Milton line which states something to the effect that by steps we will ascend. This is a small step. We should look at it like that.

It is harsh and perhaps the harshness of it will teach us to manage our business. It is not enough perhaps to be used in ways that have not worked before because we would run out very easily. I would like to think it is used in a way that can be seen. In introducing it, Senator Dr. Clarke talked a lot about our debt service and a lot of people are saying they hope it is not going to be used to service our debt. In other words, borrow money to pay back debts. I am certain that this will not happen. Certainly it will be used to increase employment and in areas which can be seen.

We are in the middle of a tourist season and I see that we are re-marking the roads. Every roundabout in Barbados is different. They give Barbadians trouble. When I see a visitor come into a roundabout, I am looking for an accident because each one is different and the markings have worn off. I have noticed that coming from the airport they seem to be re-marking them. I think that is a useful development. I see the lights are going out on the highway because the poles are being knocked down. I am hoping that some of this money might be used in this area and, generally, in ways to which people can relate to their friends that Barbados is on its way. This is another small way of improving our image and giving us and potential overseas investors confidence.

Confidence is a two-way thing. I would like to think that we would use it to repair that part of the tourism infrastructure which only Government can do – roads and other services.

We talked about priming the pump and jump starts. I think this will just prime the priming part. I think it will jump the jump of this jump start. It will not jump start anything. Above all, I hope we are not getting into borrowing to get ourselves out of trouble but borrow to invest in our productive sector so that it can work for us. We must work ourselves out of trouble.

The last thing I want to say is to do with the mind-set. We have seen Barbados fall into line with other parts of the world. What was the old world has passed away, but we still have a lot of that old mind-set. I would like to think that people see that any monies which come to start a project will only work if we work along with a new mind-set. Combination 1 should be mind-set

and Combination 2 would be money. I would like to think that this small step will be used to put that package together and let people see it is not just \$25 million to share out.

There has been a lot of talk, but the word that has not been used this morning is devaluation. I would like to think that part of this jump start will help to keep devaluation in the wings. There is nothing that isolates a country more than devaluation. We have seen Guyana being isolated from the rest of the world. If devaluation hits us, we will not be able to function as a part of the global village and will be isolated and that will put us back a number of years just as happened to Guyana.

I do not have much more to say. I will close by saying that I would like to see the money used with a new mind-set and to be symbolic in that when people see in the newspapers that there is a US\$12 million loan they do not think it is going to turn around anything. It will not. The rate of repayment alone may mean that we are not much better off when we start repaying this loan. But I think it is a psychological boost and it can be used to help us take that first step.

Thank you, Mr. President.
1.35 p.m.

SENATOR J. J. PAYNE: Mr. President, I just want to make a very brief contribution to this debate and indicate firstly that I am speaking in support of the Resolution. I consider this application for a loan no different from a person making an application to one of the banks in Bridgetown for a loan.

Some of the previous speakers have spoken as if the lenders have put a big stick over the head of the Government and is forcing it to accept this loan on those conditions. What has to be recognised is that when a loan is being obtained by a Government, the same considerations apply as when an ordinary person is applying for a loan. The terms are agreed between the parties. It is not as if the Government is being forced to take the loan and the lenders are insisting on any particular matter.

What has to be recognised, as Senator Beckles has pointed out, is that the market conditions change from time to time. There are times that loans will be obtained on simpler conditions and softer terms and as the market conditions change and loans become more difficult to obtain the conditions for obtaining the loan will, of course, become different.

It was a little painful when I heard Senator Barker suggest that some of these banks are insisting on these terms. In my view it went to the point as if he was

suggesting that they were using some form of undue influence or duress on Government. I think it is unfortunate if we carry the debate to that level because no Government can function unless it obtains funds to carry out its capital projects.

It is very important for us to recognise that when we come to these debates we cannot bring the same attitude we hear on the call-in programmes. We cannot come to debates with this suspicious feeling and approach. It is always important for us to recognise that as Parliamentarians no Government can get a loan of this kind unless it gets the approval of Parliament. It is not just the Minister of Finance involved here. It is Parliament giving its support to the proposal for obtaining the loan. So the conditions which are now before us are for us to adopt as a Parliament. To say that the banks are insisting on any particular matter I believe is most unfortunate. In fact, to go as far as to say that Barclay's Bank is not involved in the project for any particular reason is again, in my view, unfortunate. Nobody can decide which bank Government should approach. Nobody knows why Barclay's Bank particularly is not involved as a joint lender in this particular exercise. I thought the debate went off target when Senator Barker seemed to suggest that there was some sinister move on Barclay's Bank...

SENATOR T. E. BARKER: On a point of order, Sir. The Honourable Member is saying the debate went off target when I made a particular view. That, Sir, is a reflection on the Chair.

Mr. PRESIDENT: Thank you very much. You may proceed.

SENATOR J. J. PAYNE: Basically, Mr. President, those are the remarks I really wanted to make in relation to the debate. I felt, sitting from my seat, that perhaps, some of the people who spoke, particularly Senator Barker, did not fully appreciate the situation which obtained in relation to this particular loan.

SENATOR Mrs. V. C. FRASER: Mr. President, I support this Resolution. My reason for supporting it is that it is a small amount of money. It has nothing to do with the comparison and amounts of money we are spending in importing a number of consumer durables and also the amount we are spending to import food into this country. I am happy the Government is able to receive a loan because there were many times I heard in here that we could not get or attract any loans because of our reputation.

Mr. President, I believe the time has come when we as Barbadians must look fair and square at what our situation is as a people. We must stop talking about unemployment and do something about it. It is the people of Barbados who have to do this. It is the people

of Barbados who are causing the importation of over \$200 million in food because their tastes have been fashioned to the tastes of metropolitan countries. It is not the Government. It is the people here who are causing us to import \$6.6 million in fruits. No Prime Minister could eat that amount of fruit. Surely, no Government Ministers in a group collective could eat that. It is the people of this country who have been doing a number of things, including travelling.

I saw in the newspaper the Grantley Adams International Airport was filled with people travelling out for Independence from this country, Barbados, instead of celebrating their independence here. That was foreign exchange going out. When they are coming back in and you are at the Airport you will see the number of things they bring in. These are things people must understand will have a drain on any country. It is time we stop talking about the \$12 million and think about the \$200 million that is going out, and the \$6 million and the \$19 million for passion fruit pulp, and the \$3 million for cherries which we can grow here. This is money that is going out.

Let us think now about how we can save this money from going out of this country. It can create several businesses. We seem to depend on Government only to create employment. I agree when it comes to capital works, yes, the Government. But when it comes to a number of industries, small efficiently-run industries, we have to get up and think of ways and means of saving this money so that it is left in this country and it does not go anywhere. Even if we were to cut that food bill in half, that is \$100 million we would be saving. If we were to cut all the other things we are importing in half – I am trying to be very conservative here – we would save a whole lot of money from going out of this country.

We look at the earning of foreign exchange but we are not looking at the saving of foreign exchange. It is time we look at the saving of foreign exchange and what can be created if we stop importing pulp for use in our Pine Hill Dairy. We can create jobs here for people to grow fruit trees, and others in turn to extract the pulp. Those are 2 different types of operations you are creating. We can create another one to make the containers and the plastic bags and also paint them. All of these are things we need to look at.

I am sick, Mr. President, of hearing people continue to say that the Government alone must create employment in a country. This is our country. If you employ a domestic servant in your home you are creating employment. If you have a small business and you employ 2 or 3 people, you are creating employment for those persons. Indeed, there are many small people in this country who are saving on foreign exchange. We have to take a serious look at what we have available in this country and utilise it to the greatest extent to create jobs for our people and keep the

money in Barbados so that the time will come when we will not have to be borrowing \$12 million to do anything at all. The money will be here in Barbados because we realise it is our country. We are nationalistic and we should be teaching the young people out there thrift at this time. 1.45 p.m.

Every time we stand up and we say go to the Government, why does the Government not do this, why does the Government not do that? We must not sit down and expect that we need roads to be done, everybody needs light, everybody needs water and yet everybody is criticising the \$12 million that you have to borrow which cannot even be a drop in the bucket as far as capital works is concerned.

Mr. President, I am saying that in supporting this particular Resolution I sincerely hope that it will make us, Barbadians, get up and get. Look at what we are exporting in terms of foreign exchange and look at what we can do to retain the foreign exchange in this country and also look at how we can generate jobs from what we have that is Barbadian which is all around us – the sea, the trees, the foliage – all those things which can earn us money and stop saying to the young people that it cannot happen and it cannot work.

It can work and I want to say here and now that I would like to congratulate the skills training and those institutions that are trying to create new skills for unemployed people in this country. They realise that these people have been turned out of work. This is another effort of the Government and therefore we, the citizens, must try and assist them too. There are agencies which are non-governmental (and I must here mention the National Development Foundation) and we can see what is being done with the money that we have loaned the people. But we must recognise that Barbados has graduated from a number of funding agencies. We are not even regarded when we are talking rural development. Barbados is noted at international levels as one urban society. We have reached that stage because as long as you have electricity, water, telephone and all the facilities nobody is going to call you a rural society anymore. As long as your educational standards are what they are, as long as your school buildings are what they are, as long as children are getting school meals, free secondary and university education, we will be graduated from one institution to another.

So it is telling us something for the future, for our children and our children's children. Stop looking at what we want now and look at what is to happen to Barbados in the future. The young people are going to be the future Prime Ministers of this country. What are we going to give to them? Are we going to talk, talk, talk? Or are we going to give them something that they can build on? The parents have to look seriously at what they are going to develop.

In Barbados we still have a few family businesses that the grandfather decided to put his son in and teach him a skill and those businesses are still going on today. We can do the same thing but we seem to believe that everything that is done that comes from over in away comes from a big beautiful factory. It does not. It comes from some kitchen, well equipped, meeting the sanitation standards and the cleanliness. The product is well managed and well produced and that is the key to success.

As Schumacher said, "Small is beautiful", Mr. President, and I sound it thus today. If we do not get up and do things for ourselves we will be found wanting. No 27 or 28 people comprise a country. The Parliamentarians are not the country. The Prime Minister is not the country. We are the country, all of us collectively, whether we be in opposition, whatever party, whatever religious group, we are all Barbadians and it behoves us at this time to try to save as much foreign exchange as possible by utilising what we have available in this country.

I hope that these words will not go on deaf ears because I am going out there and do all in my power to help to train people and help to get funding to on lend to small business people so that they in turn can employ people. I am going to do my Christian duty and I hope that every Barbadian will recognise that each of us has to do something in order to pull our country back and stop criticising. It takes nothing to destroy and it takes everything to build up. It is time we stop the foolishness of criticising and let us see what we can do as a people moving together.

Thank you, Mr. President.

Mr. PRESIDENT: Senator Clarke.

SUSPENSION OF SITTING

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I beg to move that this session be suspended to resume at 3.00 p.m.

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

RESUMPTION

Mr. PRESIDENT: The sitting is now resumed. Senator Bellamy.

SENATOR J. G. BELLAMY: Thank you, Mr. President. A lot has already been said on this Resolution and I do not wish to delay the Chamber longer than necessary. But I wanted to make a couple of points. In the first place, a loan such as this, I believe, is popularly referred to as a bullet loan.

Aside.

SENATOR J. G. BELLAMY: It is not. Well, I stand corrected on that. It seems to me to be a very rapid loan whether it is bullet or otherwise. Of interest in the way that I look at it and providing the existing Government remains in power the full stretch of its term, this loan should be in and out during that term. Unless an extension is sought, nobody can accuse anybody else of having lumbered them with a loan that came before or anything like that. I think that is one of the interesting aspects of this particular loan.

However, I will support the loan at this point and time because I see it as a necessary injection which has been spelled out earlier as assisting, apart from anything else, with the unemployment situation in Barbados which we accept is at an unacceptably high level. In the short term, this sort of loan facility will provide for some improvement in the employment situation which we must find desirable at this point and time. Although in the long term, I do not believe that this is the sort of employment that we should be seeking to generate because in itself it is by definition short-lived. I believe and I have always believed that we should continue to seek to find a way of achieving a meaningful, and I stress meaningful, discourse between the 3 players in any economy namely the Government, employers and the employees' representatives.

Throughout the world, economic conditions are changing. The whole world economy is in a mess. We have never, and fortunately for us, had to sustain the horrors that are being experienced in countries such as formerly Yugoslavia and places like that. But we are still in the world and, as mentioned earlier, the break-up of the former communist bloc of nations has placed greater demands on what funds are available for development. Therefore, we have to take our turn in line to get what is available to us.

The terms of this particular loan are harsh. There are no 2 ways about that. If it does what it is intended to do, so be it and hopefully we can use it to provide us with a short breathing spell during which we might be able to formulate a more sustainable plan for development in the future.

The recent elections in the United States and the run up to those elections demonstrated very clearly to me that the people of the United States are totally fed up with what has become known traditional politics. I believe the same can be said in this country and in many other countries around the world. I believe that we should be seeking to form a new management structure which will take the realities of the world we live in and the true feelings of the people of the country into account and seek their input in a wide ranging way into the decision making process. I believe that loans such as this will obviously be

necessary. But if they are continued to be borrowed simply to provide for politicians to continue with what is known as business as usual, we will never get out of this syndrome of having to seek finance on the loan market. As has been so eloquently stated previously in this debate, the price of such loans is likely to continue to rise. At the same time confidence is something that we hear bandied around in respect to Barbados a great deal and we have heard it in this debate. Senator Cole in his speech referred to another term which had not yet been mentioned in the debate and he introduced it, which was devaluation.

Once again in Barbados there are rumours and suggestions of possible devaluation of the Barbados dollar. That sort of thing destroys any possibility of achieving confidence in the economy. If we cannot address sensibly the problems and the situations that lead to that type of situation, we are going nowhere except backwards. We are at present living in a contracting economy. I do not remember the figures exactly, but speaking from memory I believe we contracted over the last 2 years in the overall economy. There are all kinds of predictions and some of them are way off the wall about what is going to be the result of the 1993 economy. I do not think that anybody who really understands what is going on in this country will expect any growth in the economy this year. It is going to be at best stable with last year and probably will contract.

Sir, the need for loans of a short term nature to give us little injections and so on will continue. If anything that I heard in the introductory remarks made by Senator Dr. Clarke in respect of this loan that really makes me feel better, it was when he stated that projections indicate that by 1996 our debt service would be reduced to \$163.5 million and the balance would be \$553 million or half of what it is today. If that is, in fact, what we are going to achieve in the way we are going, we should be pleased to see that is the way we are going and not continuing to add to it.

The debates on servicing debt and debt are particularly highlighted in any discussion that one witnesses which takes place in the United States today or over the last several months because, as it is well known, that country is the biggest debtor nation in the world. They seem to have suddenly awoken to that realisation and are now attempting to do something about it. I think anybody who is involved in any type of business will appreciate that you really cannot expect to survive if you continually get deeper and deeper into debt.

I sincerely hope that the projected target referred to in the introductory remarks can, in fact, be achieved and if even possible improved upon. I hope that we can manage our affairs. That is one thing I would like to support Senator Barker on when he referred to the need for a

structured debt management strategy. I believe that this is necessary. It has been referred to in this Honourable Chamber in previous debates. I think the whole question of taking the public of Barbados into its confidence...I do not like to use the word "confidence" but perhaps sharing the confidences that may now be confidences in fact in the inner chambers with the entire public of Barbados and letting everybody in Barbados truly understand what our situation is, is really the only answer that we have at this point and time.

I have said in here before and I have heard others say it that I am convinced we have the brains in this country who are capable of solving our problems and plotting a strategy for our development into the future. Unfortunately, those brains may be divided along political lines or whatever other lines. I think we are in a situation right now where we need to bring those brains together and formulate a strategy which will be adhered to for our true development.

I do not wish to get into a longer than necessary comment in this debate because in the not too distant future we will all be back in here debating the Estimates when I am sure we will have considerably more to say on this matter. By way of example of what I just referred to, we are well acquainted with the problem of sugar in Barbados. At this point and time I personally would like to see the sugar matter depoliticised if that is possible. I believe that all Barbadians should be aware of the need for a sugar production of a certain size. I would like to see all Barbadians regardless of political persuasion or otherwise coming together in support of the sugar production in this country. That is the sort of thing that I think we need to be addressing. I have tended to digress a little bit but I have done so I hope in a meaningful manner. I thank you for the opportunity of doing that and I will support this measure.

Mr. PRESIDENT: Senator Mottley.

SENATOR Miss M. A. MOTTLEY: Thank you, Mr. President. Sir, we have before us today a Resolution asking us to approve a loan for some U.S. \$12 million, a loan which this Government for the last or certainly at least 8 months was attempting to raise on the foreign capital markets and which by dint of a sense of obligation on the part of at least 3 banks involved because of their involvement in Barbados has eventually been raised but upon terms and after circumstances that would reflect in the strongest possible way the manner and the regard in which this country is now held on these international capital markets.
3.10 p.m.

Sir, I have a great deal of difficulty with the purpose for which and the manner in which this loan has come before us. We were told in the Resolution that the purpose of it is for capital works programme. Nowhere in

the presentation of the Minister of Finance, nowhere in the presentation of any part of the speeches of Government members, either in This Place or in the Other Place, has there been a specific list of these capital projects which this U.S. \$12 million is supposed to be used for.

Mr. President, it raises the question, particularly since on July 27, 1992, last year, the Central Bank in a press release stated that Government was about to start back its capital works programme in order to resuscitate the economy. Nothing happened for the rest of the year. The Prime Minister in his budget presented on March 31, 1992 spent much time identifying sources of revenue to finance this same capital works programme we are talking about in here. On that occasion the Prime Minister identified, among other sources, \$77.5 million to be raised from international multilateral institutions such as the World Bank, the IDB and other institutions, funds from Lomé 1 structural adjustment programme to be put in place. He identified \$40 million to come to Government by way of Government's privatisation programme. Not only have we not seen any commencement of capital works projects or continuation of those projects, many of which were started immediately prior to January 1991 for cosmetic purposes; not only have we not seen the resumption or the continuation or the commencement of capital projects in this economy, Sir, but we have also not seen the \$77.5 million that the Prime Minister so boldly spoke of on March 31, 1992 from these international multilateral institutions. Almost one year later we are being told that Government is still at variance with these international multilateral institutions and hence our inability to draw down funds as a result of it.

Sir, the IDB and the World Bank are the 2 institutions we would be looking towards for these loans to resuscitate the productive sectors, these loans to bring about the structural adjustment that is necessary, and neither of those 2 institutions has come to any agreement with this Government in respect of those funds. Even in so far as the sectoral loans we would be entitled to draw down on, again on the structural adjustment programme, there has been no movement and in fact there can be limited movement in trying to expand the number of those sectoral loans, because the nature of those loans is that one has to spend the money first and draw down after. The reality is, Mr. President, that this Government is not in a position to find that money to spend. The reality is that yet again this Government comes before this Chamber seeking to find a way to make an apology to the people of this country for incompetence and bad management, for lack of vision and for the lack of confidence that they have engendered not only domestically, but indeed, Mr. President, on the capital markets as we can most clearly see from the terms of this loan, the amount of this loan and the length of time this loan has taken.

Mr. President, we were brought back into this Chamber just before Christmas, and for all who do not

want to say it publicly, it was said privately the purpose for which we were brought back was this same Natwest loan that fell through, because they could not get it together, and actively from August last year this Government has been seeking to do it.

Mr. President, it is clear that if you are constantly begging for a loan, not even as an individual but as a Government, and you cannot get it, and when you get it you get it like this, it is clear the lack of esteem in which you are held by the same markets which you are approaching. The reality is that neither the World Bank nor the IDB is prepared to go into any structural adjustment programme with the Government of Barbados unless there is some form of institutional support. The reality is that that institutional support would normally come from the monitoring of the International Monetary Fund, but the Prime Minister of this country and the International Monetary Fund are at variance with one another over what exactly is supposed to be their incomes policies.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order. I believe Senator Mottley is speculating and I do not consider it fair to draw the Minister of Finance into this like that. What she is saying is highly speculative and she has no basis in fact for making such a statement.

SENATOR Miss M. A. MOTTLEY: I do not believe, Mr. President, that Senator Clarke is in a position to influence my opinions whatsoever and therefore I stick to my opinion that the reason for the divergence of opinion between the International Monetary Fund and the Prime Minister of Barbados has to do with the manner in which the incomes policy, and more specifically – I do not even know if to call it an incomes policy applicable to the economy of Barbados – because it was an incomes policy applicable to 27 000 workers, less than 25% of the working population in this country, in a non-tradeable sector, thereby having limited ability from the time you start off to have any impact on the stabilisation programme the country was seeking to embark upon.

The reality is that there seems to be some divergence of opinion that is preventing the immediate involvement of the International Monetary Fund over the period of time it is necessary for us to draw down the funds from the structural adjustment programme with the World Bank and the IDB. The question begs itself why. If there is no disagreement between the International Monetary Fund and the Prime Minister of this country, why is the World Bank so reluctant to advance to Barbados the \$77.5 million the Prime Minister of this country spoke about on March 31 last year?

I can speculate, but like when we speculated in 1990, what was said came to pass in 1991, and what was said, at divergence with the Central Bank of Barbados, who at

the end of 1991 told us to expect a year of growth, came to pass. When we warned this Government about the taking away of the concessions to the manufacturing sector in September 1991 and the effect it would have, that too came to pass, so I would like anybody to know that I would prefer to speculate with the record with which the Labour Party has been speculating, than to accept advice as to what my opinion should be from anybody else, particularly on that side of the Chamber.

Mr. President, I am saying to this Chamber that this Government has no moral authority to continue to ask the people of this country to bear any more sacrifices.
3.20 p.m.

I am saying to this Chamber that this Government in 1989 or in 1988 with the credit squeeze came to us and we were hearing about cutting and contriving and short and sharp. We heard about short and sharp again in 1991 for 6 months that this 18-month programme would have been a short and sharp programme. They perhaps were wrong in their attempt to be allegorical and should have used the phrase "long and laboured".

It is immoral for this Government to ask the people of this country to bear any more sacrifices to give them a chance to be able to straighten out things. Last year, March 31, 1992, the Prime Minister spoke to us about ADC lands which were going to the disabled workers to give them a chance to earn a living. Where are these lands that they were going to give to them? The Prime Minister spoke to us on that occasion about a National Productivity Board. The Prime Minister spoke to us on that occasion about the need for rapid retooling and upgrading of the workforce. What are the training programmes that this Government has put in place to deal with those workers?

Far from that, Mr. President, not only have they not received training or lands to be able to earn a living, but now people like the Transport Board workers cannot get their severance, when the Transport Board had a moral and legal duty to contribute to the Severance Payments Fund. Far from that, we see a situation where Barbados' unemployment figures see more than 30 000 people out of work, 30 000 people who have responsibility for disabled members of their family or for their children or for their parents who are pensioners, but who have been forced to sustain themselves on the pension cheques of their poor parents or the rest of their family.

What is the result of this Government begging us for additional time to straighten out the economy? What do we see in the productive sectors? We were told about the structural adjustment taking place and we were told about what was going to happen in tourism. All that has happened is that they took the Tourist Board and called it the Tourism Authority. There is no distinction in the

mandate that was set out under the old Tourist Board Act and the subsequent amendment to give it authority to deal with hotel registration and classification. With the Act that came before us here only recently the IDC and the EPC merged and all of a sudden we are supposed to expect magic from the new Investment and Development Corporation.

Mr. PRESIDENT: Senator Mottley, I think you are straying from the subject somewhat.

SENATOR Miss M. A. MOTTLEY: Sir, I can talk about food since Senator Fraser introduced that into the debate.

Mr. President, the point I am making is this \$12 million is coming under the guise of a capital works programme. I make bold to say that the purpose for this loan has more to do with buttressing up Government's foreign reserves and indeed to act as a source of revenue for this Government which has been experiencing declining revenues for the last 2 years.

This Government does not care about putting people back to work in this country. If this Government cared, I would not have to be asking about the retraining and the retooling that the Prime Minister spoke about on March 31 last year. I would not have to be asking about the ADC lands that would be made available while at the same time a lot of the ADC lands are still lying idle, from the Belle right back through. I would not have to be asking about these things. I would not have to be asking about a Government that made sure by its inability to pay its creditors that a number of small businesses fell through because they were unable to beat the bank charges and therefore had to lay off people.

Mr. PRESIDENT: Senator Mottley, you are straying from the subject. Will you return to the main subject of the debate?

SENATOR Miss M. A. MOTTLEY: I have no problem with talking about the US\$12 million, about food or about Highway 2A and the World Bank Project. All of them have come into this debate so far. More importantly, I have no problem about talking about the lack of confidence. It is that lack of confidence that has resulted in this type of loan. It is that lack of confidence that continues to result in no new investment being taken up by the private sector in this country and yet the Prime Minister in July last year could make bold as to say that he wants to make sure that there is consistency in the direct taxation system because he wants the private sector to feel confident about what they can do to make investments. At least he understands the need for confidence.

What are we to assume? If he understands the need for confidence, what is it that keeps him there when

he knows the confidence still is not there. It does not take a Solomon or an economist to know that it is the small businesses which present the greatest potential for employment opportunities in an economy. It is these same small businesses which have received the cold shoulder from this Government for the last 3 to 4 years. Let us not now try to dangle a token carrot before the people of this country saying that this US\$12 million will now bring a few jobs. What about the thousands that have been lost in the last few years? If you care so much about the workers, why did you preside over a situation where the Transport Board workers, the sugar workers and all of them are catching hell to get what is rightfully theirs.

Mr. PRESIDENT: Watch your language.

SENATOR Miss M. A. MOTTLEY: Why are you continuing to preside over a situation where you yourself in your Cabinet are presented with 3 totally different positions, not only to this country but to the same international institutions that you are having difficulty with over the question of the incomes policy. You have on the one hand Mr. Thompson who says, "No, no, no." He now has become the disciple of the international lending agencies.

Mr. PRESIDENT: Who is Mr. Thompson?

SENATOR Miss M. A. MOTTLEY: The Minister of State, Ministry of Finance and Economic Affairs. I understand why he may be forgettable, Sir.

Mr. PRESIDENT: I do not understand you but if you mean the Minister then say that.

SENATOR Miss M. A. MOTTLEY: ...who has said that the 8% should not go back to the workers. On the other hand, you have the Honourable Minister of Health who said as recently as yesterday in the Other Place that Barbadians, particularly the public servants, cannot continue to bear this burden and that they have to find some other formula, and trying off the top of his head to give a solution, realising that things are so poor when it comes to the intellectual capacity in the rest of the Party.

Mr. PRESIDENT: Senator Mottley, that has nothing to do with this debate.

SENATOR Miss M. A. MOTTLEY: And then, Sir, you have the Rt. Honourable Prime Minister who says once again with his play on words nothing more or nothing less than what each of us already know – that it would be illegal to withhold people's 8% after March 31, 1993. Neither fish, fowl, nor red herring. Not stating his position – prevaricating.

Mr. PRESIDENT: What do you mean by neither fish, nor fowl nor good red herring?

SENATOR Miss M. A. MOTTLEY: Not stating his position – prevaricating.

Mr. PRESIDENT: What do you mean by neither fish, nor fowl or good red herring?

SENATOR Miss M. A. MOTTLEY: Sir, I did not say "nor good red herring".

Mr. PRESIDENT: I am sorry, neither fish nor fowl. I ask that those remarks be withdrawn.

SENATOR Miss M. A. MOTTLEY: As you wish, Sir. Mr. President obviously can correct me in the true manner in which that statement should be made.

Mr. PRESIDENT: No. All I am saying is you must withdraw those remarks.

SENATOR Miss M. A. MOTTLEY: As you wish, Sir.

Mr. PRESIDENT: What does that mean?

SENATOR Miss M. A. MOTTLEY: Sir, as you wish.

Mr. PRESIDENT: What does that mean?
3.30 p.m.

SENATOR Miss M. A. MOTTLEY: Sir, he has neither committed nor not committed. He has prevaricated or, Sir, would the expression "he has gone around the mulberry bush" be more acceptable?

Sir, my point is this. This Government has no moral authority anymore to govern. This Government has no moral authority anymore to ask any of us in here or in this country to continue to allow them to carry this country further into the depths of despair because of their inability to understand issues, to reach a united front among themselves on major issues like an incomes policy, to resuscitate this economy, or to even use the reports they pay the consultants so much money to prepare but continue to remain piled and undusted.

Sir, we heard from as late as July last year again from the Central Bank that the Barbados Government needed to address the question of airline seats urgently to Barbados. What have we heard since then? What has been the change since then? Apart from the change in the Tourist Board to the Tourism and Travel Authority, we heard the former Chairman of the Tourist Board admit to this country late last year that a campaign they were running, "Do It The Bajan Way" was totally misconceived and unable to meet its target market. That is what we heard instead.

We heard about the restructuring of the sugar industry for 3 years and it still is not over. We have heard about the amalgamation of the Agricultural Development Corporation and the Barbados Marketing Corporation for now at least 18 months and this Government has done nothing to put it in place. Now, for the last year we have been hearing that the VAT and the indirect tax reforms would take 2 years to come in. Sir, do they mean 2 years from last year or 2 years from now? Do the productive sectors continue to remain in abeyance because they are unable to even get the administrative things in place to be able to start the preparation for that transition and reform in the indirect taxation structure. These are the points that are worrisome. What do we hear instead? Apologies that when the Government goes overseas people are telling them their standard of living is too high and they do not have any sympathy for us. They never had sympathy for us. Why should we expect them to have sympathy now? If we were worrying about sympathy, we should have known then when we became independent.

Sir, I am saying all those excuses about what the people overseas tell us about what is too high a standard of living... They told Bernard St. John the same thing on many occasions in negotiation with the World Bank, but Bernard St. John was able to stand firm and keep his position because he was not begging. He was not in a position of mendicancy to them. The problem with this Government is that there are too few options left. But for the grace of God and time they remain in the de facto position of Government. The reality is that the mere fact people have no respect for the Government is but an extension of the breakdown of law and order in this country. When we hear them talk in their self-righteous tones, let us hear them apply it to themselves first.

You heard Senator Barker in here talk about the breaking of the law in relation to the Sinking Fund. We know about the breaking of the law in relation to the overdraft at the Central Bank. But you do not hear them include that when they talk about the dismantling of law and order in this country. This Government too, like the Central Bank, must learn to stop talking out of the 4 corners of its mouth. They must understand that the memories are not always short and they cannot continue coming to us year after year begging for forbearance and sacrifice when in reality the situation changes only but for the worst.

Sir, we have to be serious. It is no wonder public comment and sentiment is that were it not for the sake of pensions and gratuities the circumstances as they relate to Government would be different in this country today. No wonder that is the public opinion out there one is being met with on a daily basis. All it serves to do is that at a time in our history and society when institutions by the very nature of time and the very dint of changing technology and other things that are changing in nature, we

are unable to address those changes and bring about the necessary reforms. We are unable at a time when these things are happening to address our attention to serious issues like public sector reform and what are we going to do in terms of the channeling and reindexing of our productive sector. Instead we have to worry about the fact that we have a Government that cannot even raise U.S. \$20 million but would have to settle itself for \$12 million after 9 months. That is what we have been reduced to.

Sir, from a very human point of view, this is February and from now until the end of March it has already started. There are a number of old people out there whose electricity has already been cut off. I have met a number of them in the last 2 weeks. There are a number of them who have suffered from the fact that the Welfare Board no longer has the kind of money to help out in their day-to-day living even for basic amenities. Now, that may be by dint of the fact that it is towards the end of the fiscal year but the reality is it started much earlier than it usually starts. That is the human reality out there.

The human reality also extends to the fact that you have 4 000 children coming out of school every year. You had 4 000 last year, 4 000 the year before and 4 000 the year before that. How many of those 12 000 have received work in this country even in situations where their parents or relatives too may have already suffered from lay-offs not only in the public sector but, indeed, in the private sector. All that was done in the name of stabilisation and structural adjustment has led to no growth. It has led to increased suffering on the part of the people of this country. I repeat. This Government has no moral authority to ask of us anything anymore and to remain would be to inflict torture upon the people of this country for the next 3 years.

Mr. PRESIDENT: You have one more minute, Senator Mottley.

SENATOR Miss M. A. MOTTLEY: Yes, Sir. Thank you very much.

Sir, the Prime Minister said in the same Budget last year that the social fabric of Barbados would not be able to withstand the economic pressures of devaluation. It is my contention that if that is the measure Mr. Sandiford used to avoid the process of devaluation, he must know, unless he is cloistered in the walls of Ilaro Court and on the planes that leave this country as he did again today, that the social fabric of this country has already started to suffer with 30 000 people or more out of work, with a crime rate that is escalating over and over what it was the year before, and the year before that, with a level of apathy that has taken root. That is what the Prime Minister sought to avoid. But not only has he precipitated the destruction of that social fabric but he has also still left for us the spectre of devaluation over our heads.

I maintained in September 1991 that the Prime Minister understood he could not devalue and then tax, therefore he used the option of taxation, lay-offs and cuts keeping the option of devaluation in case he could not succeed. Perhaps, he, Sir, knew better than us the level of his incompetence.

Thank you, Sir.

SENATOR Dr. E. A. SIMMONS: Mr. President, I rise to support the Resolution. At first I was not going to take part in this debate but there are some very fundamental issues that have come up and I think it would be remiss of me if I did not make some comment. Let me say at the outset that I am very concerned about the level of debate in this Honourable Chamber. I think that as mature responsible Barbadians, we have to be frank, and brutally frank. But I think there are some grey areas across which we must be very careful to cross because, in the final analysis, as I have said before, the documents of this Honourable Chamber will be recorded for posterity.
3.40 p.m.

Whatever we say in these Honourable Chambers will be read by our great grandchildren and those to come and they will judge us very, very critically. This is our country and we must try to do whatever is best for it. I have heard all kinds of comments today but I think we have to understand that we live on the planet earth and on this planet earth on which we live we are very, very small. We are 166 square miles, competing in an environment where there is great hostility, where the economic climate throughout the world is uniformly bad, except perhaps in the Pacific realm. We live in the western hemisphere and there is absolute turmoil in economic circles in the western hemisphere.

I know that we in this Honourable Chamber follow the economic fortunes of the people in the world. If we look at the Western Hemisphere, President Clinton has just won an election in a country in the Western Hemisphere that is supposed to be the star, the model, for economic development in this world. And within some 3 days of assuming that job he finds that he is faced with some very serious problems. The issues that we are addressing in here today, the problem of unemployment, the problem of unavailability of funds, these are the same issues that face the United States. As a matter of fact, only this morning in the news there was some rumour about the Prime Minister of Canada resigning because the economic situation is so bad after all these years that he decided to go out.

The point I am making is this that we, when we talk about comparisons, if I say that I...

Mr. PRESIDENT: Senator Barker, you will stop that behaviour. We cannot have that disorderly talking across the table.

Senator Barker, I have spoken to you already. If I have to speak to you again I will have to do something firmer than that.

Senator Simmons you may proceed.

SENATOR Dr. E. A. SIMMONS: Thank you, Mr. President. Mr. President, everything in the world is comparative. If I say that I am tall I have to compare myself against somebody else. There is nothing absolute about being tall or being short. There is nothing absolute about being fat or being thin. You have to take a sample and having taken that sample you compare yourself against the sample which you take. So, when we talk about the economies let me refer you to something that Senator Beckles talked about. I tried to find the pertinent material in the library but it is not here.

I want to refer, with your permission, Mr. President, to the Reports from the Courier Magazine which every year publishes what is called the Human Development Index. The Human Development Index is a compilation of certain statistical factors which include length of time in school, literacy rate, gross domestic product, etcetera. Every year the LOMÉ Convention puts out an analysis of these. In 1991, of the 81 countries in the LOMÉ Convention 12 European and 69 African Caribbean and Pacific countries, Barbados was tenth which meant it was Number 1 of all the ACP countries and it was tenth which meant that it was above 2 of the European countries.

In 1992 it moved up to eighth. The point I am making is this that it is the same European countries to whom we have to go to borrow money. Countries like Spain, Portugal, Greece, the human development index of Barbados was above theirs. But we have to go into the international market to try to get money from these people. So when the comment is made that in the international arena people say that the standard of living in Barbados is high and therefore we find it difficult to borrow money, it is absolutely true.

If you look at the United States today you will find that the delivery of health care is one of the major problems in the United States. I was educated in the United States in the late sixties and seventies. At that time in the United States (and I did my residency and internship in New York) there was no such thing as tuberculosis or measles in New York. Today, in New York, one of the major killers is tuberculosis and measles. So President Clinton finds himself today, where we can have people going to the moon and putting rockets in space for years, fighting social diseases like tuberculosis and measles.

We in Barbados have one of the best deliveries of health care you can find on this planet earth. It costs money to maintain these systems and there is nobody

who is going to give us money to live at a higher standard of living than they are living at. That is logical. You cannot go to your next door neighbour to borrow money to buy clothes to send your children to the exhibition when they do not have money for themselves. So we have to be realistic.

I think what we need in this country (and I think Senator Bellamy alluded to it) we need parties and groups of reconstruction. As Senator Bellamy said (and I agree with him) one of the problems which we have is negative images of ourselves. We have the concentration of manpower in this country the likes of which cannot be seen any place else in 166 square miles. What are we doing with that concentration of manpower? We spend all the time splitting into little groups destroying each other.

It is not only the political parties in this country that need to come together for reconstruction of this country. We need the whole social fabric. We need the manufacturers, we need the workers, we need the trade unions. This country can be a great country if we recognise the positive things that we have and if we decide to use these positive things for reconstruction. We will go no place and will go no place very, very quickly if we use all the skills we have, if we use all the brainpower we have and use it in a negative manner.

As I said before, Mr. President, it is very important to be critical and to make critical analysis but at the end of that critical analysis we have to ask ourselves, What positive effects will our critical analysis make? If we are only criticising to be destructive then we are going no place. If the criticism is a criticism so that we can be more informed and we can come together and we can move forward then we are going some place.

I heard Senator Barker say something in here this morning and I am a little surprised because Senator Barker is a very well-trained economist. I heard Senator Barker compare the economic profile of Barbados with those of some of the other Caribbean countries. Senator Barker is fully aware...

SENATOR T. E. BARKER: On a point of order, Mr. President, I am sure that I did not compare the economic profile of Barbados with anywhere else.

Mr. PRESIDENT: Thank you. That is the statement which you are making. Thank you. You have heard it.

SENATOR Dr. E. A. SIMMONS: Mr. President, Senator Barker talked about the performance of Barbados' economy with respect to some of the others. It is the profile. If you are comparing it you are giving a profile of the countries. Okay, the point I am making is this. Senator Barker as an economist knows that Barbados in

international circles is considered in a different category. If you talk about economic growth in St. Vincent or in St. Lucia it is a different kettle of fish altogether and although we may want to do it for political reasons if we want to be serious and if we want to be analytical let us use likes because in this Honourable Chamber we come here to be serious. We come here to make serious comment and serious analysis about what is going on because as I said before 100 years from now our great grandchildren are going to be reading and analysing what we say and they are going to deal with me just as harshly as they deal with all of us in here.

3.50 p.m.

I am a politician and I try to score my political points. But there are some issues, Mr. President, regardless of who goes on the television or who says what, I will not respond to it. I refuse to go to certain levels to prove a point because in the final analysis, as is written in that time, history will absorb us. History will prove who is right and who is wrong. Our function must be today to say what we can do best for this little country that has given us a standard of living that few countries in the world have been able to provide for their citizens. Our role as responsible citizens and as members who have been given the responsibility by the people of this country is to see how best we can implement systems to maintain the kind of standards we have and, if possible, under difficult economic times to improve such standards for our children and for our grandchildren.

Sir, that is the fundamental role that we must play. All the talk is beautiful but in the final analysis we must ask ourselves, "What contribution have I made as an individual having been given the opportunity to improve the situation? Did I only talk? Did I make a comment or an analysis that could contribute to the improvement of the situation?" It is very, very easy after a decision has been made for anybody to come and find all the problems that are around and to be very critical but ask that same individual to give you one single constructive element where things can be improved. I think that our role which we are given in this Honourable Chamber is to see how best we can improve the situation in this country.

Mr. President, I want to support the Resolution and I want us to be mindful that we have a great responsibility to this country. The things that we say in this Honourable Chamber and the things that are reported in the newspapers can add fuel to the negativity and hostility that is going on in this country. We have to ask ourselves in the final analysis as players in the game, "Which side of the fence are we on. Are we on the side of the fence that is contributing to the nonsense that is going on or are we really taking our part as true leaders in this country and trying to make a positive contribution?"

Mr. President, I wind up by saying this and I think it has been said by many speakers. There are economists who feel that maybe the loan is a difficult loan. But the facts of the matter are that things are difficult. We are operating in a difficult arena. What I would like to see us do rather than saying that we do not know what the money is being borrowed for *et cetera* that maybe we should be making suggestions as to how best the money can be used for the reconstruction of this country. I think this is what this Honourable Chamber is all about. This Honourable Chamber is about the contribution of ideas because few people in their life time will have the opportunity that the 21 of us have in here to make a significant contribution to the development of our country. I hope that at all times when we come, yes, we must be critical. But let us also come with ideas to make sure that we can make some contribution to the development.

With that, Mr. President, I support the Resolution.

Mr. PRESIDENT: Senator Alleyne.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I just want to make a few brief remarks in support of this Resolution. I make it out of an abundance of caution because nowadays to be an economist you are an endangered species. People use you when you say what they want and, when you do not say what they want, the same people abuse you. Just 2 Sundays ago I read a column written by a regular columnist whose only claim to university status is that he writes junior behind his name. He was talking about so called economists and he cannot even spell "economist". I do not have any axe to grind for anybody.

It is common knowledge, Mr. President, that this country Barbados has been for sometime bedevilled by a fiscal gap and a foreign exchange gap. I have heard Senator Mottley speak and perhaps if I was an Opposition person I would behave the way she is behaving. I am not going to get in any battle here. I am going to stick to the facts. Those who want to deal in political harangue let them deal in it. That is not my business. The fact of the matter is that this country for quite sometime has been bedevilled with a foreign exchange gap and a fiscal gap. For those who care to read Hansard or for those who care to read my contributions in this Honourable Chamber from the time that I was here, you will see that I have been addressing this problem since the first debate in which I was engaged in this Chamber, the Appropriation debate of 1990. I addressed it then and I addressed it on several other occasions. I am not going to repeat what I said then. I pointed to the reasons why we are in this condition. Suffice it to say that Government has been trying to grapple with these 2 gaps for sometime – the foreign exchange gap and a fiscal gap. Successive budgetary measures which the Government has introduced have attempted to deal with the fiscal gap primarily and the foreign exchange gap as well.

I have spoken before on this issue of stability in Barbados and the stabilisation programme and the extent to which that programme is succeeding. I have set out very carefully the context in which one should evaluate a stabilisation programme. I made it crystal clear in this very Chamber that in assessing the performance of a stabilisation programme, essentially when you are talking about short term measures, the indicators which one uses (not which are made by me but which are universally acceptable) have to do with the impact of that stabilisation programme in checking the slide in the foreign reserves of the country. That is the prime index of measurement. I have said before in this Chamber that in a small open economy like Barbados you can have several goals, for example, the protection of the foreign reserves position, maximising the level of employment, price stability, and you can go on. In a difficult situation, planners have to prioritise their goals and in an economy like Barbados the No. 1 goal has to be the protection of the balance of payments. Everything else has got to take second place.

I do not say these things, Mr. President, out of idle boast. I cannot come inside here and say one thing and go to my students and say something else, otherwise they would not have any respect for me. In fact, I will not do it because, if I came in here and said something that was unprofessional, there is no way that I would go and appear in front of my students. These are not things that I am creating for the first time. This is part of the stock of common knowledge in the field of economics.
4.00 p.m.

I feel very disturbed when I come in here and sit down and hear things which cause me to be on end all the time. It is not fair to this Chamber, it is not fair to the country, the country that spends so much on education.

In the light of what I have said, when a Government has got to take action to stabilise a situation, it is painful to hear the kind of abysmal nonsense when people ask you to check the slide in the foreign reserves and at the same time tell you to take action to reflate that economy. It is a contradiction in terms. You cannot do it in an economy like this. This is no time for name calling. You cannot do it. Any Minister who believes he can do it should not be a Minister, or any Shadow Minister who believes that when he becomes a Minister he can do that, he is a grave danger to the society. We have to get our priorities right. I might not agree with everything somebody is doing, and I have a right to disagree with that person. It does not mean that I have to go around trying to destroy that person.

What we are debating today, Mr. President, is an effort by the Government to deal with this foreign exchange gap. In Barbados, as in any other country, in terms of foreign exchange demand, there is a demand for foreign exchange to finance current consumption

and capital expenditure, and there is also that demand to meet debt service payments. It so happens at this time in Barbados that we are not earning enough, we are not generating enough surplus on current account to finance all these demands which I have just identified. It means then that we have to look to other sources to make up the difference. I have heard the term "morally wrong" used very often in this Chamber, but I think it is wrong to give the public the impression that in a difficult world, when the Government tries to find that source of finance to fill that foreign exchange financing gap, that it is the worst Government you can have. I am not going to get into the partisan political fighting, I think we have to face these issues.

I have heard reference made in this Chamber to the harsh terms of this loan, but none of the people who have spoken has been specific. I am yet to hear what are the terms. None of the people who have said there are harsh terms has indicated what the terms are. If you wish to convince me that the terms are harsh, you have to tell me what those terms are.

I have heard some people comment on the short lifespan of the loan. Mr. President, in a world of volatile interest rates, which businessman or which lender would commit himself to a protracted loan? You do not do it. In another capacity I have to chair a committee which makes decisions as the largest lender in this country. At this time no one could encourage us to get into any long term loan. The market is not right for it. I am not going to tie up myself, if the market is not right, and then when the market improves I cannot take advantage of that. There are 2 sides to any loan, so I am not going to side with those people who will argue that this loan is very short. You have to make that judgment in the context of the market. Whether we like it or not, we have to face the facts.

There are not many developing countries in today's world which can raise any loan at all on the capital markets. I know Senator Mottley makes the plea she wishes Barbados to do better. I want Barbados to do better too, but it is not going to happen by any miracle. We keep on pointing at the politicians and I urge my fellow Senators to recognise that the problem in Barbados is much bigger than politicians. One of the worst things that have happened in Barbados over time, and has become ingrained in this society, is that Barbadians at all levels today have a pride in money, not a pride in work. It is a fact. You can talk about structural adjustment from now till Resurrection Morning, unless Barbadians once again take pride in the quality of their work and not elevate to the highest level pride in pay, all of our efforts will have been in vain. The politicians alone cannot turn around this country. Some of the gravest dangers to this country are not the politicians, the politicians are the most visible, and you take pot shots at them, but in terms of getting this country right let us

take our sight off the politicians. You can remove Mr. Sandiford from office now and the problem will still remain.

Mr. President, in supporting this Resolution I recognise the difficulties in the international capital markets today. Whatever difficulties the Government may be experiencing in putting in place a structural adjustment programme, I think all of us in Barbados would want to wish that those difficulties would be overcome in the shortest possible time. I do not think there is any one of us in this Chamber who would wish to know that large numbers of Barbadians are out of work.

In closing, I should like to give one caution. I have been hearing a lot about Government's capital works programmes to reflate this economy. I believe I have said before, and I repeat, the worst thing the Government of Barbados can do is to believe that through capital works programmes it can solve the unemployment problem in this country. It is the simplest way to destroy this country. We have got to put in place the right macro economic framework and commit ourselves to it and create the conditions where true entrepreneurship can flourish.
4.10 p.m.

I do not believe in speaking through 2 different corners of my mouth about the same issue. Check my positions on this particular matter. They have been very consistent. I do not wish to have a Government in Barbados which believes it can start capital works projects and solve our problems. In the final analysis, it will be a government of tax and spend and destroy.

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

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President, I have listened to the debate ranging wide and far. I think there have been some excellent contributions from Senator Beckles, Senator Simmons and the last speaker, Senator Dr. Alleyne. There were certain questions raised during the presentations which I would like to address.

It was most unfortunate during the debate that Senator Barker saw fit to introduce Barclays Bank in the debate. I think I was at pains in my introduction to state rather carefully that there were 4 banks in the consortium and Barclays Bank was not one of them and Natwest was taking the lead position in the consortium. I did not think there was any reason why the name of Barclays Bank should have been introduced in the debate.

SENATOR T. E. BARKER: On a point of order. I hope the Honourable Senator does not think that he is the President of the Chamber to say what goes into a debate.

Mr. PRESIDENT: Senator Barker, you are totally out of order. You did not rise on a point of order. That is not a point of order. I will also tell you, make sure that you do not interrupt anybody again on that matter.

Senator Barker, that is not your function. I have spoken to you before and you have attempted to do this earlier in the afternoon. I do agree with Senator Simmons when he said that history is very important and when these debates are read sometime from now... You seem to think it is a joke. You are lowering the standard of debate in the Chamber.

SENATOR T. E. BARKER: No, Sir. On a point of privilege. I am not lowering the standard of debate in this Chamber and I take offence at your words.

Mr. PRESIDENT: Senator Barker, I am telling you that I will not have that in this Chamber.

SENATOR T. E. BARKER: Sir, I have not lowered the standard of debate and I will not have anybody in here say that I have lowered the standard of debate.

Mr. PRESIDENT: I say that you are lowering the standard of debate in this Chamber and if you do not withdraw those remarks I will have to take some further action.

SENATOR T. E. BARKER: Sir, I am prepared to be sent out of this Chamber, but I will not have anybody say that I have lowered the standard of debate in this Chamber. It is a reflection on my integrity.

Mr. PRESIDENT: I repeat. You have lowered the standard of debate in this Chamber.

SENATOR T. E. BARKER: Sir, I say that I totally disagree with you. If I have lowered it... It is not me, but other persons in this Chamber have lowered the standard of debate and we have to look closer to home.

Mr. PRESIDENT: I repeat, Senator Barker, I will not engage in any sort of cross talk with you. Senator Barker, you will take your seat.

SENATOR T. E. BARKER: I take strong offence.

Mr. PRESIDENT: Senator Barker, you will take your seat.

SENATOR T. E. BARKER: Mr. President, on a point of...

Mr. PRESIDENT: Senator Barker, I repeat you will take your seat at this stage.

SENATOR T. E. BARKER: On a point of privilege, Mr. President...

Mr. PRESIDENT: Senator Barker, you will take your seat. I have ruled that you are out of order.

SENATOR T. E. BARKER: Sir, I am not out of order. I speak on a point of privilege.

Mr. PRESIDENT: You will take your seat and you will withdraw that. You cannot tell me that you are not out of order.

SENATOR T. E. BARKER: I believe, Sir, I can speak on a point of privilege.

Mr. PRESIDENT: Senator Barker, you are out of order and you will take your seat.

SENATOR T. E. BARKER: My rights are being trampled and I am speaking on a point of privilege.

Mr. PRESIDENT: Senator Barker, I consider your conduct to be grossly disorderly and I ask you now to leave this Chamber and to leave the precincts of this Honourable Senate and of these Chambers for the remainder of the day.

SENATOR T. E. BARKER: I have no problem with that, Sir, but you will not trample on my rights in here. You will never trample on my rights in here.

Mr. PRESIDENT: You will leave this Chamber immediately.

SENATOR T. E. BARKER: You will never trample on my rights in here. The Lord giveth and the Lord taketh away. I don't care who you are, you will not trample on my rights in here.

Mr. PRESIDENT: Senator Barker, you will leave this Chamber immediately. I consider your conduct to be grossly disorderly. You will leave this Chamber and the entire Parliamentary Buildings for the remainder of the day.

Senator Clarke, you may continue.

SENATOR THE HON. Dr. C. D. CLARKE: Thank you, Mr. President. It is most unfortunate when adults can see fit to conduct themselves in a manner... Senator Barker in his contribution indicated there was something illegal by not having a sinking fund established for this loan. I would like to call the Chamber's attention to the fact that the Resolution states clearly that:

"WHEREAS by section 2 of the Special Loans Act, Cap. 105, the Government is authorised from time to time to borrow from any bank..."

In that Law there is no provision for the establishment of a sinking fund.

Senator Williams raised some questions in his fleeting visit. We do not see very much of him but he was able to pass through long enough to ask some questions and he did not wait long enough for the responses. In spite of the fact I shall have to talk to his set, I am prepared to do this. He enquired whether or not loans for capital works are not usually identified, whether or not you acquire the loans, if you do not state the purpose for the loans. If you are dealing with a commercial bank you negotiate the loan and you speak in general terms but you do not usually indicate a specific project. Normally if you are dealing with one of the multilateral institutions like the World Bank there might be a requirement that you state whether it is for an educational loan or road works. You can negotiate a loan for the broad category of capital works.

Senator Williams also indicated that Barbados was not honouring what it signs and went on to indicate that there was some problem in connection with the World Bank. For the record, I would like to indicate that there were negotiations in process for a loan between the Government of Barbados and the World Bank and based on the conditions, which were being presented to the Government of Barbados as a sovereign country, the Government of Barbados elected not to go through with the signing of the agreement or to proceed to draw down. This was a decision taken by the Government of Barbados and I think it would be erroneous for word to go out that it was the World Bank that reneged, Barbados having signed the agreement to draw down the funds. It was a decision that Barbados was not prepared to go through given the conditions and hence did not sign the loan.

I believe Senator Bellamy questioned whether or not it was a bullet loan and I think in an aside he was told it was not. The initial life of the loan is 3 years with an option on the part of the banks to extend the loan for an additional 2 years. A bullet loan is one which is generally required to be paid in full at the end of the life of the loan. In this case – and I said this in my introduction – 20% was to be paid back in 364 days after signing. A further 30% on the 2nd anniversary and the balance, 50% on the 3rd anniversary unless the facility was extended by the commercial banks.

Senator Mottley raised questions indicating there were no training programmes in place. I know that Senator Mottley reads newspapers.
4.20 p.m.

SENATOR Miss M. A. MOTTLEY: On a point of order, Sir. I never said there were no training programmes in place in Barbados. I was very specific to state that in so far as the retrenched workers, or the displaced workers were concerned there were no training programmes and,

indeed, the promised retraining and retooling for those displaced workers which Mr. Sandiford promised in the Budget last year and access to the ADC lands have not become available.

Mr. PRESIDENT: Thank you for the clarification.

SENATOR Dr. C. D. CLARKE: I am much obliged to Senator Mottley for so clearly making herself understood.

I would like for the benefit of this Chamber and for the record to state that a retraining programme for retrenched workers was commenced on September 21, 1992. I opened that programme myself and a contribution was also made at that time by the Right Honourable Prime Minister himself. He considered it important enough to take time out to attend the opening of that programme. Five classes have already been concluded, 8 are currently in progress and 4 are due to commence on March 8. The total cost of the programme so far is \$139 000. The areas in which people are being trained are in the area of leathercraft, needlecraft, upholstery, auto mechanic, woodcraft, food preservation, basketry and weaving.

The thrust here really is to prepare people for self employment as an option so they can exercise their choices between seeking a job somewhere or electing to go into self-employment.

Senator Mottley also indicated to this Chamber that because of a lack of confidence in the economy and the country, no new investment was taking place. I believe the ground has recently been broken in Westmoreland for a large investment project.

SENATOR Miss M. A. MOTTLEY: On a point of order, Sir. The Honourable Member is misleading the Chamber. That Westmoreland project was on the cards now for many years before even the discussion as to the entry of any programme of the IMF was concerned. No way can it be termed as a new investment.

Asides.

Mr. PRESIDENT: All right. We cannot have any cross-talk like this.

Thank you, Senator Mottley.

You may proceed Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: Thank you, Mr. President. I am certainly not prepared to get into the harangue we witnessed earlier in the debate. That is a new project that has come on stream. There is another one scheduled to begin in March, the Kingsland

Project. These are all within the private sector. These are not within the public sector. There is sufficient confidence that people are willing to go ahead with projects they had already designed and carry them through to the state of implementation.

On the question of the Productivity Board there is such a board named. It is in place and is functioning.

SENATOR Miss. M. A. MOTTLEY: Mr. President, I never said there was not a Productivity Board. If the Honourable Senator listened to my speech carefully, he would have understood when I said that we do not hear anything about it. There is a difference between that. I am glad I have at least engendered the Senator to do something for a change.

Mr. PRESIDENT: All right. Thank you. Senator Clarke, please continue.

SENATOR THE HON. Dr. C. D. CLARKE: The truth will always be an irritant to some, Mr. President.

On the question of the Productivity Board, meetings have been held with the social partners. Formulae are being developed for the various sectors within the economy. As a matter of fact, it was through the efforts of the initial Productivity Board chaired by Dr. Downes, that the formulae was worked out for the sugar industry.

I think Senator Mottley has failed to realise that we look for jobs on a permanent and sustainable basis. We look for them to be established within the private sector and Government has its capital works programmes to undertake. I made this point when I introduced the Resolution that it has to add to the capital infrastructure of the country in order to facilitate the effort of the private sector but at the end of the day sustainable employment will come from the private sector as we would expect that sector to generate the jobs in the economy.

I would wish, Mr. President, that Honourable Members, and I think another Senator addressed this very point earlier, would add to the overall debate rather than try to detract from the efforts being made. This Resolution is asking Parliament that Government be allowed to borrow U.S. \$12 million. We are taking collective responsibility for it because we see it as necessary to get on with capital works which are needed to contribute to the overall

capital formation of this country. When we get to the point of talking about adding to growth and insisting that there be economic growth, this is one way you do it through capital formation within the economy, not only through investment spending. This is an effort to do it so we cannot talk through both sides of our mouths at the same time. We have to be quite clear about what we are saying and what we are doing. Most of the people are quite clear and capable of understanding what we are saying to them.

I beg to move that this...

Mr. PRESIDENT: Senator Mottley, do not talk across and interrupt the speaker like that all the time.

SENATOR Miss M. A. MOTTLEY: Mr. President, I am so sorry if I interrupted the speaker. Indeed, I thank you for aiding me in that respect.

Mr. PRESIDENT: Senator Clarke, you may continue.

SENATOR THE HON. Dr. C. D. CLARKE: Thank you, Mr. President. I beg to move that this Resolution do now pass.

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

ADJOURNMENT

SENATOR THE HON. L. V. H. LEWIS: Mr. President, a debate that I came here thinking that by 2:00 o'clock we would have finished is now ending at 4:30 p.m. I believe it would be remiss of me if I did not make comment on an earlier incident today which I think is unfortunate in terms of the business of this Chamber. As Leader of Business in the Senate I was outside for part of it but I would certainly wish to talk with all the parties concerned because I think these situations as far as possible need to be avoided for the future in the interest of respect for the Chair and the good decorum which this Chamber has always exhibited and which all of us present should pledge ourselves to uphold.

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

The question that the Senate do now adjourn sine die was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.
4.30 p.m.

CONTENTS

PRESENTATION OF PAPERS

SENATOR THE HON L. V. H. LEWIS 1143

Land Registration (Suspension) Order, 1993.

PUBLIC BUSINESS

ORDER NO. 2 – RESOLUTION TO APPROVE THE BORROWING OF US.\$12 MILLION 1143

Senator the Hon. Dr. C. D. Clarke, 1143,
1165; Senator T. E. Barker, 1145; Senator
C. O. Williams, 1151; Senator T. C. Beckles,
1152; Senator J. A. F. Cole, 1153; Senator J.
J. Payne, 1154; Senator Mrs. V. C. Fraser,
1154; Senator J. G. Bellamy, 1156; Senator
Miss M. A. Mottley, 1157; Senator Dr. E. A.

Simmons, 1162; Senator Dr. F. W. Alleyne,
1164.

SUSPENSION 1156

ADJOURNMENT 1168

SPEAKERS IN THIS ISSUE

ALLEYNE, Senator Dr. F. W.
BARKER, Senator T. E.
BECKLES, Senator T. C.
BELLAMY, Senator J. G.
CLARKE, Senator the Hon. Dr. C. D.
COLE, Senator J. A. F.
FRASER, Senator Mrs. V. C.
MORRISON, Senator A.
MOTTLEY, Senator Miss M. A.
PAYNE, His Honour Senator J. J.
SIMMONS, Senator Dr. E. A.
WILLIAMS, Senator C. O.