
THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1991 - 96

SENATE

Wednesday, July 14, 1993

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, July 14, 1993, at 11.15 a.m.

PRESENT

His Hon. Senator M. deL. JORDAN, (President)
His Hon. Senator J. J. PAYNE, (Deputy President)
Senator the Honourable L. V. H. LEWIS, G.C.M.,
(Minister of State, Prime Minister's Office) (Leader of the Senate);

Senator A. MORRISON;
Senator Mrs. V. C. FRASER, B.S.S., J.P., M.C.F.A.;
Senator A. J. N. PHILLIPS;
Senator the Honourable Dr. C. D. CLARKE,
(Minister of Labour, Consumer Affairs and the Environment);

Senator Dr. F. W. ALLEYNE;
Senator Miss Y. V. WALKES;
Senator Mrs. M. BARKER-WELCH;
Senator Mrs. A. STRAUGHN, G.C.M.;
Senator J. G. BELLAMY;
Senator J. A. F. COLE;
Senator T. E. BARKER;
and
Senator T. C. BECKLES.

Prayers were led by Rev. Father Errington 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 advised there are certain papers which should be laid. I propose for consideration that we continue Public Business and at a later stage those papers will be presented. They are not yet in my possession.

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

Mr. PRESIDENT: Senator Lewis.

SUSPENSION OF STANDING ORDERS

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move the suspension of Standing Order 45 (2) to enable us to deal with the two matters of which notice was given on July 13.

The question was put to the Senate and agreed to.

INTRODUCTION OF BILLS

Mr. PRESIDENT: Senator Lewis.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I move the First Reading of the Final Appropriation (1992-93) Bill, 1993. I also move the First Reading of the Sugar Import Levy Bill, 1993.

The question was put to the Senate and agreed to.

PUBLIC BUSINESS

FINAL APPROPRIATION (1992-93) BILL, 1993

Order No. 1 was called - To move the Second Reading of the Final Appropriation (1992-93) Bill, 1993.

Mr. PRESIDENT: Senator Clarke.

SENATOR THE HON. Dr. C. D. CLARKE: Thank you, Mr. President. The Constitution of Barbados provides in Section 109 (5) that:

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

In the distant past, Mr. President, we have been in the habit of getting the Final Appropriation Bill to us either around December or early in the new year. I am happy to report that this Government because of its administrative efficiency is now able to bring this Bill before this Honourable Chamber within 4 months of the end of the financial year.

The Minister of Finance and the staff of that Ministry should therefore be complimented in getting this measure before us on such a timely basis.

I should also alert this Honourable Chamber too, Mr. President, that we recognize that these matters come before us some time after they have been dealt with. The Right Honourable Prime Minister and Minister of Finance has been engaging himself in order to find some mechanism whereby we can debate such a Bill on an even more timely basis. We hope that maybe while the matters are fresh in our minds we might have an opportunity to debate the Bill.

In addition, whereas in the past supplementary provisions at times exceeded 25% of the Approved Estimates, the total Supplementaries in 1992-93 totalled \$81 938 510. This was but 6.5% of the approved total expenditure in the 1992-93 Estimates, the approved expenditure in the 1992-93 Estimates of \$1 247 864 838. I will repeat that, Sir. The total expenditure in the approved Budget for 1992-93 was \$1 247 864 838.

11.25 a.m.

Very often we like to compare Government's performance with the private sector and following this line of argument in the private sector when they prepare a budget it is not uncommon to make a provision of between 10 and 15% for contingencies or miscellaneous expenditures. I again note that the supplementary

provisions, a year after the Budget was prepared, constitute no more than 6.5% of the Budget and again another characteristic of the care in preparing the budget. So that in future I would hope when we present an Appropriation Bill we do not hear the unnecessary and unfounded speculation coming from some quarters that we expect expenditures to go up in a given area. 6.5% is excellent estimating when you consider that this is done some 15 months in advance of the actual presentation.

As set out in the Schedule to the Bill we will find the various Heads clearly indicated and although such a presentation is useful I do believe that the economic classification as set out in TABLE A of the Memorandum of the Approved Estimates 1992-93 would be a more useful presentation. For this reason, and with your permission, Mr. President, I shall rearrange the Schedule into its economic classification, that is, so that it will remain consistent with TABLE A as it appears within the Approved Estimate Memorandum in 1992-93.

However, before getting into this analysis I would like at the outset to draw attention to Head 19 - Ministry of Finance and Economic Affairs - Sub-Program 01 - General Management and Coordination Services and under that Head you will find that the sum of \$60 597 000 or 74.3% of the total supplementaries of \$81 938 510 was provided.

Since this provision falls under the Head of Contingencies in the economic classification I believe we should move because contingencies seem to be a fairly large contingency and we become very suspicious when we see these numbers so let me hasten to explain this even at this time. Of the total supplementary under this Head of Contingencies as it appears in the Economic Classification of the sum of \$60 597 000 the sum of \$54 337 000 or 88.5% of that contingency vote was required to bring to account the settlement of a number of inter-public sector arrears during the fiscal year 1992-93.

Examples of such settlements are payments to the Water Authority from an agency such as the Queen Elizabeth Hospital, payments to NIS from an agency such as the Transport Board and payments to the Transport Board from agencies such as Welfare and Education. So, as we can see here it is really a tidying up arrangement whereby actual costs incurred by a given department, those costs will be reflected against that Department and would give us a truer accounting as to the total cost of operating a given service.

In addition, still under Contingencies, the sum of \$6 000 000 was required to pay the firm of Sir Robert McAlpine and Sons Limited, as settlement of a consent award, made by the Arbitrator, Sir Denys Williams, Chief Justice of Barbados. This settlement illustrates an important principle, that is, the continuity of Government irrespective of the political party in office because in this instance the

DLP Government is being required to meet an obligation created by the precipitous action of a Minister in a former BLP administration.

The remaining \$260 000 under this contingency vote was required to satisfy contractual obligations due to Ernst and Young and Peat Marwick Associates Limited for Consultancy Services in respect of the privatisation of Heywoods Hotel, the National Petroleum Corporation and the Barbados National Oil Company Limited. This was a major one that was responsible for about 88% of the total supplementary provision.

The other supplementary provisions as they affect the economical classification are as follows, and here I will just give a broad outline:

Personal Emoluments	- \$ 5 341 581
Goods and Services	- \$66 319 202
Transfers	- \$ 9 510 972
Capital Formation	- \$ 766 755

Now, I would like to turn to a more detailed analysis of these figures just to disaggregate them and find out exactly what we have involved here, bearing in mind that these make up a very small part of the total supplementary.

Under Personal Emoluments the total amount of \$1 921 158 was approved as supplementary expenditure under the item, Other Personal Emoluments, for the Financial Year 1992-93. The major amounts approved were \$1 370 033 for Queen Elizabeth Hospital, \$450 000 for the Police Department and \$68 685 for the maintenance and development unit of International Transport and Communications Division.

The supplementary provision at the Queen Elizabeth Hospital became necessary as a result of the freezing of 28 established posts of Registrars and Senior House Officers and their replacements by temporary posts which were not provided for in the Approved Estimates.

The Police Department in its effort to combat the upsurge in crime increased the number of persons employed as special constables to 60 and supplementary provision was therefore required to meet the expenditure occasioned by the increase in the constabulary.

At the maintenance and development unit of International Transport and Communications Division, the additional sum was required to meet salaries and wages for temporary unestablished and casual staff as well as for the payment of wages to apprentices of the National Training Board's in-training scheme who were undergoing on-the-job experience. To this end the contribution to National Insurance totalled \$3 394 823, the Health Levy was \$24 435 and Transport Levy \$1 165. The expenditure incurred

by a number of Ministries and Departments for the 1992-93 Financial Year was higher than originally projected under the items, National Insurance Contributions, Health Levy and Transport Levy.

Those provisions which I just itemised, the National Insurance Contributions of \$3.4 million, Health Levy \$24.4 thousand and Transport Levy of \$1.1 thousand became necessary to supplement these items to accommodate the increased expenditure.

11.35 a.m.

Turning to the second classification under the Economic Classification Goods and Services, Travel accounted for \$871 and Utilities \$127,150. This was necessary to meet the cost of water, light, fuel, gas and telephone. Rental of Property accounted for \$13,236 and Supplies and Materials \$3,009,683. This amount of \$3,009,683 was approved as supplementary provision and of this sum \$1,073,521 went to the Queen Elizabeth Hospital and \$1,931,162 went for the Drug Service.

The reason which was given for the increase at the Queen Elizabeth Hospital was based on an increase cost of medical supplies from overseas sources and such increases are by necessity outside the control of the Government. For Maintenance of Property, the sum of \$326,080 was allocated and of that amount \$259,555 went to the Queen Elizabeth Hospital, \$54,696 for the Airport Management Services and \$11,829 for the Data Processing Department. The increased cost at the Queen Elizabeth Hospital under this Item became necessary because of the increase in maintenance contracts with overseas firms.

The increase for the International Transport was a result of an increase in the premium quoted by the Insurance Corporation of Barbados. Because of this increase, it was therefore necessary to provide the supplementary.

Under Operating Expenses, the sum of \$2,245,182 was provided. The amount approved of \$2,075,182 went to the Queen Elizabeth Hospital, \$120,000 went to the Cabinet Office, and \$50,000 for Community Legal Services Commission. The supplementary provision required by the Queen Elizabeth Hospital met the expenditure of sending patients overseas for treatment not otherwise available in Barbados, particularly in life threatening situations. The provision for the Cabinet was to meet the cost of representation at and the hosting of conferences. The supplementary provision by the Community Legal Services Commission was required because the amount provided had been exhausted due to increased demands for legal aid.

The Transfers to public institutions were \$6,159,742 and of this sum \$159,742 went to the University of the West Indies and \$1 million was allocated to the Sanitation

Services Authority. The one million dollars for the Sanitation Services Authority was necessary to facilitate the opening up of the new landfill. In order to make it functional, it was necessary to rent heavy earthmoving equipment and also to increase the efficiency at the old landfill at Mangrove Pond. The \$5,159,742 for the University of the West Indies was required to supplement the original subvention made to the University of the West Indies.

Subscriptions and Contributions under Transfers totalled \$51,230 and this additional sum was required to meet contributions to the International Telecommunications Union and the Caribbean Telecommunications Union. The sum of \$600,000 was provided for pensions, gratuities and other benefits.

Under Subsidies, the sum of \$2,700,000 was provided. This was necessary to fulfil an agreement made by the Government as part of its plan and its agreement that it would take over all of the outstanding debts of the Transport Board as at March 31, 1992. This sum of \$2.7 million was required under the item Subsidies to meet the outstanding claims owing by the Transport Board.

Under Economic Classification for Capital, the sum of \$13,000 was allocated for plant, furniture and equipment and to purchase a small vehicle for the Immigration Department and also to purchase a computer to replace an obsolete typewriter. What apparently happened here was that in the original provision funds were given to purchase a large vehicle for the Immigration Department and it was decided that it was better to buy a smaller vehicle and replace the typewriter. So the supplementary provision allowed them to get a smaller vehicle and a typewriter rather than utilizing the original funds in order to get a larger vehicle.

Under Structures, \$753,755 was provided and this was to complete the Black Rock Polyclinic. Thus, we have before us under the Economic Classification, as I said in broad terms, we have a total under Personal Emoluments of \$5,341,581, Goods and Services \$66,319,202, Transfers \$9,510,972, Capital Formation \$766,755 for an overall total supplementary provision of \$81,938,510.

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

SENATOR T. E. BARKER: Mr. President, we are here to give approval of the sum of \$81 million which was spent during the last financial year 1992-93 which was supplementary to what we had approved in March, 1992. The Minister was at pains to point out that this was 6.5 per cent of approved expenditure. While he did not give us the percentage for the other years, we know that the 6.5 per cent is a good rate. We are not complaining about the

quantum, but I myself have a lot of difficulties with some of the items of expenditure, so with your approval, Sir, I want to go through a few of the items as outlined by the Minister. Before doing that, I just want to say that I wish the time would come when we would look at a change of the rules to allow this Honourable Chamber to debate these matters as they arise. The Minister was hinting that probably changes are in the works and I will support him 100% if whenever these provisions go to the Lower House we in this Honourable Chamber would get a chance of debating them at the same time. I normally find it tiresome listening to the Minister, but I found it even more tiresome today, since he had no option but to read out a whole list of figures which I found at times difficult to digest. In this case it is not his fault, as at other times.

11.45 a.m.

Sir, I am very worried about the level of contingencies in the Ministry of Finance and Economic Affairs and I am not totally pleased with the explanation that was given by the Honourable Minister. This document I am looking at was sent to Members of this Honourable Chamber at the time when the supplementaries were debated in the Other Place, so as a matter of courtesy they send all this information to us. It shows that the Contingency vote under Sub-Program 01 was \$1.5 million – this was what was approved in March 1992 – but the supplementary was, as the Minister pointed out, \$54 597 000.

Sir, the Minister mentioned that this was to bring to account a lot of inter-departmental, arrears and he mentioned payments to the Water Authority and the NIS by certain Government agencies, and included in this he mentioned the Transport Board as one of the agencies which owed money especially to NIS. I wonder if that would be a legitimate item of expenditure, if that should not come under the Transport Board accounts. As I said, I have a lot of problems with this item of expenditure and the Minister did not in any way clarify the matter to my satisfaction. If he mentioned the Transport Board as owing the NIS money, the Transport Board's payments would not be recorded in this way. What would happen is that a block grant would be given to the Transport Board and then out of the money voted by Parliament to the Transport Board they would make these payments. In any case, Sir, the \$54½ million is a very large sum and I do not think I have been given enough information regarding this \$54 million. I am asked to approve this expenditure when I am in the dark about the reason.

The Minister was at pains to point out a lot of the other small items – \$30 000 here and \$30 000 there and \$100 000 here – but he did not give us specific amounts for this \$54 million, which is about two-thirds of the \$80 million. The largest figure in the \$81 million was not satisfactorily explained by the Minister. Probably he will have a chance, Sir, when he is rebutting to give us some

details about this \$54 million. It is not enough to tell us that it is for inter-departmental arrears and so on, I want to know how much was paid to the Water Authority, because I cannot imagine the bill for water for the QEH being in the order of millions. I may be wrong, but I do not imagine that water bill being in the order of millions, so I would like some more information about this \$54 million. I do not like approving of things when I am not sure of the details. I do not like signing blank cheques.

Sir, included in this money were payments to the MacAlpine firm with regard to the Post Office. The Minister was at pains to point out that the party which I represent when in office was the main cause of this expenditure, but he forgot to tell us that we left office some seven years ago, what happened in those seven years and how much of the amount that was awarded to MacAlpine was interest. I am sure that a lot of it was interest, but he deliberately or conveniently forgot to tell us how much of those millions was due to administrative inefficiency under their administration. I do not have the details, but I am sure, Sir, that if the Minister would give us the details, when the judgment was made, interest payments and so on, we would get a better picture about the whole Post Office affair. It is not enough to put blame on a particular Government without giving us the full picture.

Sir, I now go to an item, which the Minister alluded to, that some of the money in the Contingency vote was for fees to an accounting firm for work done regarding the privatisation of Heywoods, BNOC and another company. I would contend that this money was wasted. This DLP Government has done some foolish things in their seven years, but selling off the oil company or selling Heywoods ranks high in the list of foolishness. To have incurred that sort of expenditure at a time when all around we are seeing welfare grants being cut, that maintenance programmes are not carried out, with the result that down the line we are going to have to spend a lot of money on our public buildings, when all this is happening Government can be increasing the coffers of a few accounting firms in the island with their ill-advised scheme to sell off prime Government assets.

11.55 a.m.

There is no economic justification for the selling of these assets. For us to be approving items of expenditure, large sums of money, for the payment of work for the privatisation of these companies is a case of monumental folly.

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

SENATOR T. E. BARKER: I talked about the privatisation and I hope that the realisation of the selling off of the prime assets will not occur before this

Administration is out of office. I note that there has been some delay and I hope that they either do not find a buyer or something else will happen so that these assets remain in the hands of the people of Barbados.

Sir, the Minister mentioned that some of the \$81 million was to pay for the completion of the Black Rock Polyclinic. I just want to raise a few questions here because some mention was made a little while ago that the building was completed; but we would like to know how soon the polyclinic will be open to the public because there are...

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order. I did not, in my presentation, say that the building was completed.

SENATOR T. E. BARKER: I would like to know when the building will be opened, noting that dates for completion were already given. I wonder what plans the relevant Ministries are making in regard to parking at the said institution. Looking at the physical lay-out, there seems as though there is going to be a problem of parking at that area. If the Government has any plans...

Mr. PRESIDENT: Did I understand you correctly to say that there is going to be a problem with regard to parking? Is that what you said?

SENATOR T. E. BARKER: Sir, that is my opinion.

Mr. PRESIDENT: I see. You are entitled to an opinion.

SENATOR T. E. BARKER: Sir, probably the relevant Ministries can tell us what plans they have for parking, because I note the way it is built it is confined on 2 sides by the public road and on the other 2 sides by private property.

I spoke on previous occasions about the location of that polyclinic. I said that Government may have been better advised to extend the present polyclinic. Anyhow that is water under the bridge and this Government is accustomed to making these sorts of decisions, but the public of Barbados have the final say.

I want to move on to the University where I am happy to note that the Government saw it fit to give it an extra \$5.1 million as a supplementary vote. I must confess I have a great interest there because that is where I got a lot of my education and spent some of my better years. I want the Government to put in place a proper mechanism where the University does not have to continue a hand-to-mouth existence, but rather that the funding would be more forthcoming to allow the University to better plan its programmes and to have a better deployment of resources and get into areas of study that are needed. As

we try to develop our country, the need for a properly functioning university becomes evident. The sort of piecemeal approach we get to university funding is not in the best interests of the University because from month to month and from year to year they are not sure as to how things are going with them. I believe the funding of the University should take a high priority as far as Government is concerned.

12.05 p.m.

Sir, the Minister mentioned that the sum of \$1 million was granted to the Sanitation Service Authority and that some of it would be spent on the new landfill at Mangrove and another portion was spent on the old landfill which is adjacent to Mangrove. I am not sure when this money was spent but I know that recently the residents of Arch Hall were still having problems with regard to the landfill. Sir, I have every sympathy for the residents of Arch Hall.

At the same time I note that we continue to have problems with solid waste disposal in this Island. I think we should be looking to the future. Some years ago there were plans for an incinerator. I do not know what has become of those plans but I wonder if we should not be utilising some of our natural gas in order to incinerate some of the garbage. But we have to look at the whole issue of garbage disposal in a more urgent fashion because the new landfill which it opened is almost full. The problem then is that we will be back to square one – I might be wrong but this is my estimation – that within a year or so the new landfill at Mangrove will be full so urgent action is needed. The money will have to come from somewhere because waste disposal is a critical part of environmental management. Without proper planning we will end up in trouble because we cannot wait until the landfill is filled to the brim to start thinking about how we are going to dispose of excess waste.

Sir, I know that the Sanitation Service and the Ministry of Health is probably working on the problem but I am not impressed that they are working as urgently as they need to in this regard unless they are doing things that the public is unaware of but greater haste is needed in this urgent matter. At the same time we have to ensure that the grievances of the residents of Arch Hall are looked into and that every effort is made to ensure good management practices are maintained at Mangrove in order to minimise the discomfort that they are having.

Sir, the last item I want to touch on is the Transport Board where at page 8 it is mentioned that some \$2.7 million in subsidy was given to the Transport Board. We have discussed transport on many occasions in here. When I first started talking about transport I got a lot of scoff as usual from members of the Democratic Labour Party, all 12 Senators in here. They scoffed me all about the place when I started talking about transport and I live to see the

time has come where the Minister is now saying what I was saying a long time ago that the State has to be involved in the delivery of transport service in this Island, that there is a role for the State in the whole transport system.

Aside.

SENATOR T. E. BARKER: Sir, I am no prophet but commonsense would dictate that the State, given our whole set up, given the fact that our pensioners used to be able to travel free on the buses – note I said "used to be able to" and I use that word deliberately ...

Asides.

SENATOR T. E. BARKER: Point of order? I want a point of order.

Mr. PRESIDENT: Let us not have the asides, Senator Barker. I have not stopped you. Proceed with the debate. This is not the way we conduct our debate.

SENATOR T. E. BARKER: Sir, in case Members on the other side are saying that they still travel freely, I want them to know that you can talk about travelling freely on the Transport Board buses but if you do not run any Transport Board buses, then they cannot travel freely because they have no buses to catch and that is so in a lot of areas on this Island. Members on the other side know that to be true.

SENATOR A. MORRISON: On a point of order, Sir. I would like to inform the Honourable Member that old age pensioners still travel free on the Government buses. The policy has not changed.

Mr. PRESIDENT: Thank you. Proceed.

SENATOR T. E. BARKER: Sir, the Honourable Parliamentary Secretary does not even understand what I am saying. I am saying, yes, they can travel freely on Transport Board buses but if you do not run Transport Board buses and they want to get from point A to point B they have to pay so his intervention was not only ill-advised but stupid.

Sir, I want Government to come up with a transport plan because we do not know. The public of Barbados is unaware of Government's plans for the transport system in this Island.

Mr. PRESIDENT: Whom did you say?

SENATOR T. E. BARKER: I said the public, of which I happen to be a member. I do not know.

Mr. PRESIDENT: Well then speak for yourself.

SENATOR T. E. BARKER: And people I talk to do not know. Members on the other side do not know.

Mr. PRESIDENT: Senator Barker, I think you should speak for yourself. You cannot assume that you are speaking for everyone else.

SENATOR T. E. BARKER: Sir, I speak to people daily.

Mr. PRESIDENT: Yes, but you cannot speak for me. I am a member of the public.

SENATOR T. E. BARKER: Sir, I speak for 250 000 more.

Mr. PRESIDENT: I do not think you have that authority, but go ahead.

SENATOR T. E. BARKER: Sir, with all due respect, people talk to me because they know that I always talk on their behalf so since they are not members of the Senate they talk to me and ask me to voice some concerns. I think I have the moral right to speak for them so the public out there want a properly functioning transport system and they are not getting it but yet we are asked to approve \$2.7 million to a Transport Board which is not providing the services that it is mandated to.

Now, I have no problem with spending money on the Transport Board because I have been on record as saying that to some extent the Transport Board has to be subsidised by the State. I have said that on many occasions.

Mr. PRESIDENT: All right, Senator Barker.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. For the benefit of the Senator who might have been asleep when I made the presentation, I think I said at that time that the sum of \$2.7 million was to defray debts already incurred. It was an agreement between Government and the Transport Board to offset these debts.

Mr. PRESIDENT: Thank you.

SENATOR T. E. BARKER: Sir, if I was asleep it is testimony to his boring speeches. Nevertheless, we have \$2.7 million which is going to the Transport Board. Whether or not it is to pay old debts is beside the point. The point is that \$2.7 million will be given to the Transport Board. What they do with it is not our concern in a sense. But, Sir, what I am saying, if I am allowed to, is that if we are given...

SENATOR A. MORRISON: On a point of order, Sir. I do not understand how an Honourable Member can get in here the whole day and talk in a piecemeal fashion on a

Final Appropriation Bill without dealing with the substance of the Bill itself.

Mr. PRESIDENT: What is your point of order, Senator Morrison?

SENATOR A. MORRISON: My point of order is that for the longest time he has been talking piecemeal. 12.15 p.m.

I am saying that it is against the Senate Rules for an Honourable Member to get up and talk about the Appropriation Bill in a detailed manner as he has talked about every item in a detailed manner and making all kinds of ridiculous statements about this and that. It is money that has already been spent. This is the Final Appropriation Bill. If he cannot talk about the substance of the Bill and generally about the financial policy of the Government then he should sit down.

Mr. PRESIDENT: Thank you very much, Senator Morrison. I think I will make the ruling where that is concerned. You may proceed, Senator Barker.

SENATOR T. E. BARKER: Sir, thank you very much for your help on this occasion. I shall note it. The point is that, regardless of what the Parliamentary Secretary is saying, the Minister read out a long detail of items of expenditure and I am entitled to speak on it. I do not want to belabour the point but we have to get to the Transport Board. If they are giving them money, I have no problem with that. But the question of accountability. Make sure that they take the money that is voted to them and get a properly functioning transport system because all of us are aware of the fact that all is not well in the transport sector. The result is that there is chaos on our roads as a result of the non-functioning of the Transport Board. The Parliamentary Secretary can discuss that when he gets up to talk. It is an area that is dear to me.

With those remarks, Sir, which I hope were taken in the spirit they were given, we have no problems noting that the money is already spent and noting that we do not have any power over the spending of money, we have no difficulty in supporting the Bill.

I just want to reiterate one point that we on this side will support Government in any measure which would give the Senate a greater role especially as it relates to the appropriation of funds for Government's uses.

Thank you, Sir.

Mr. PRESIDENT: Senator Alleyne.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I have just one comment to make about everything the

previous speaker said. What the previous speaker said, in summary, is that the Government should not be cutting welfare grants and subventions when, at the same time, the Government is paying large consultancy fees to businesses for preparing prospectuses as a prelude to the selling off of I think the speaker mentioned Heywoods and some other places.

Mr. President, I would just wish to remind this Senate that these two actions are not alternatives. The reasons which underpin these actions are fundamentally different. A government cuts welfare grants and subventions when the Government is under fiscal siege. That is the reason for cutting down. On the other hand, a Government which is moving towards the route of privatisation which as I mentioned the last time we met in this Chamber is in step with trends within the world. I think I mentioned the last time we met that not only privatisation is a current trend in the public sector in the western world but in the former eastern bloc countries, Russia included.

I believe that any proper government is duty bound to prepare the ground work before it disposes of public assets. This is precisely what the Government is doing. What is wrong with hiring the services of private consultants to prepare these prospectuses to carry out that type of work which is certainly not alternative to welfare grants or subventions? They are two totally different things. The fact of the matter is that any wise government which recognizes that it has a physical asset and that there is no particular purpose served at this time by holding on to that asset the wise thing to do is to get the best possible price for that physical asset and use the proceeds to develop another area of the economy which requires high priority attention. I emphasize the physical asset because you cannot take up an oil field and carry it out of Barbados, you cannot take up Heywoods and carry it out of Barbados. I think we have to face these realities.

That is all I have to say, Mr. President, about Senator Barker's comments. I sympathize with him somewhat because I realize that he is in a process of transition.

The last point I want to make...

Mr. PRESIDENT: Senator Barker.

SENATOR T. E. BARKER: Sir, the Honourable Senator is casting aspersions on my character. He is saying that I am in the process of transition. I want information as to what he means by I am in a process of transition.

Mr. PRESIDENT: I did not take it to be in any way defamatory and I do not take it to be such.

SENATOR T. E. BARKER: Sir, but I feel hurt by what he said; that I am in transition.

Mr. PRESIDENT: I have told you that I do not consider his statement to be defamatory. All right. Thank you. Senator Alleyne, proceed with your debate.

SENATOR Dr. F. W. ALLEYNE: I believe Senator Barker knows that I would never try to defame him. I did not intend so to do. All I meant, Mr. Senator is that I recognize that his party is in a state of what I call political transition or political flux and therefore, politically, he has to be part of that state of flux.

Aside.

SENATOR Dr. F. W. ALLEYNE: The last comment I want to make has...

Mr. PRESIDENT: Order, order!

SENATOR Dr. F. W. ALLEYNE: ...has to do essentially with a plea for the management of the Public Service to face the new reality.

In Barbados and certainly for the last two years there is a new reality which all of us have to face, have to come to grips with. I refer specifically to the fact that we have got to do things differently and we have got to do them more efficiently. The days when departments and Ministries can just cost the tab to a Minister of Finance, those days are long over.

I heard Senator Barker talking about pensioners travelling free on buses. I believe what Senator Barker meant was that the cost was being picked up by the taxpayers because there is nothing called free.

Essentially the point which I wish to drive home is a plea to public servants to recognize that the notion that I spent X amount of money last year and therefore in the coming year I have to spend X plus, that notion has got to be totally destroyed. We have to justify every penny of public expenditure. To the extent that we fail to justify it we will deny Barbados an opportunity to thrive again.

Mr. President, with those comments, I support this Bill.

SENATOR A. MORRISON: I should be very brief, Sir. I would just like, in supporting this Bill, to make reference to Senator Barker's remarks about maintenance of Government buildings and other things that have been neglected over the years. It would take us probably another 10 years in office to repair the damage done by the Barbados Labour Party in the non performance of maintaining Government buildings in the last 10 years of their administration. We could never be in power long enough to finish the damage that was done by that Party

when they did not repair one building or repair one road during those 10 years that they were running the affairs of this country.

Sir, I am not going to go into the debate on the Transport Board but I should like to inform the Honourable Chamber that the Minister of Finance has given an undertaking, in the Lower House, the Other Place, about a full statement on the new initiatives for the Transport Board in due course. It is pointless for me to debate the Transport Board at this time until we come up with our final position on the actual position and what we hope to do with the Transport Board in the very near future.

With those few remarks, Sir, I support the Appropriation Bill.

Mr. PRESIDENT: Senator Bellamy.

SENATOR J. G. BELLAMY: Thank you, Mr. President, I have just a brief remark to make in terms of the overall context of dealing with an Appropriation Bill such as this. The Schedule that is attached is set out in some detail and the Honourable Minister took us through it in even more detail and I appreciate the explanations that were given. However, in introducing it the Minister did draw reference to the fact that the private sector frequently budgets with a 10 to 15% contingency and he used that to highlight the fact that this \$81 million only represents a 6.5% of the original expenditure.
12.25 p.m.

I am not entirely sure that the percentages are actually correct. However, when budgets are done I like to be able to compare expenditure with revenue and I am sure that in the private sector any additional expenditure that is going to be considered would also be considered against the proposed or projected revenue that could be derived.

In the event that revenue is not coming in, in the way that it would normally be expected to come in, one would expect the budget to be revised the other way by cutting expenditure as opposed to raising revenue and this is in fact what has transpired and is greatly evidenced over the past 2 years in particular in Barbados throughout both the Government and the private sector. So in dealing with a Bill such as this it appears to me to be somewhat in isolation because it purely is the expenditure arm of what is going on without really providing information in respect of how we have done on the revenue side.

That is the comment I would like to make in terms of being able to assess the overall financial situation that we are being asked to deal with. Thank you.

Mr. PRESIDENT: Senator Fraser.

SENATOR Mrs. V. C. FRASER: Thank you, Mr. President. I just want to make two brief comments and one has to do first of all with a number of things that are set out very clearly here, especially under the area of helping the disabled. We have had much talk about Welfare Services and Government not taking an interest but I see very clearly that the unit which takes care of disabled children and the Hillside Home ...

SENATOR T. E. BARKER: On a point of order, Sir, the words "not taking interest". I assume the Senator is talking about me. I never said or hinted that Government was not taking an interest in the welfare. I never said that, Sir.

Mr. PRESIDENT: Thank you.

SENATOR Mrs. V. C. FRASER: Mr. President, Sir, I am referring to general comment in Barbados which has absolutely nothing to do with Senator Barker. This has been a general comment. I know certain people have been saying that the Government has not been paying any attention to the Children's Development Centre nor to the Hillside Home, so I welcome this additional funding that Government sees it fit, even during this time when things are so difficult to show its great intentions for those persons who are handicapped, disabled and who are suffering from a disease leprosy. It seems to be the opinion of many people that they were very neglected at the Hillside Home and I am happy to see that in addition to those people who are raising funds that the Government is assisting in this area.

I am also happy, Mr. President, to see that in the area agriculture, livestock and food-crops, that the Government has seen it fit, during a difficult time, to add some more money to help with the research of new crops because I feel that here is where these now crops are going to earn us foreign exchange by exporting them to overseas countries.

Mr. President, all in all I see this as an effort to continue the country along the paths which the Governments want to see it go and we, the people, want to see it go successfully. I think that one of the things we must remember here is that we are Barbadians and we have got to make our inputs just as well and not depend on Government wholly and solely. There are many welfare situations and there are people who are helping. I think there are a lot of people who can do a lot more to help to uplift the standards of the various people in our community who need assistance by not charging big fees and so on.

I note that here in the area under the Ministry of Finance - and I am not dealing with all these various sections - I was happy to see the increase for the development of people, especially those who are not employed. The money for the National Training Board and

for training administration is working well and a number of people are getting into their own businesses to earn their own money and I would like to complement Government on that programme.

Thank you very much, Mr. President.

SENATOR THE HON. Dr. C. D. CLARKE: I did not think it was necessary for me to reply to this because the Opposition spokesman said absolutely nothing in the period but I believe it was Senator Bellamy who took some time out to take us through the methodology of budgeting within the private sector. I think we, as a Chamber, should be very grateful for this.

What I would like to do in the time available to us, Mr. President, is to point out that the savings and the expenditures here for the supplementary provision, that these actually came out of savings, and the Minister of Finance was at pains to point out that he will not take down any supplementaries unless the Ministry could show him where the savings could be effected elsewhere. So the revenue figures were given as a constant and because we do not have virement in terms of the financial role but the savings had to be identified which meant that the overall deficit and/or surplus remained constant in the overall exercise. I beg to move that this Bill be read a second time.

The question was put to the Senate and agreed to.

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

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

SENATOR THE HON. Dr. C. D. CLARKE: Mr. President I beg to move that this Bill do now pass and be cited as the Final Appropriation (1992-93) Act, 1993.

The question was put to the Senate and agreed to.

ANNOUNCEMENTS BY HIS HONOUR THE PRESIDENT

Mr. PRESIDENT: I have received a special report from the Ombudsman for Barbados which has been prepared for laying in both Houses of Parliament. This is dated July 1993 and will be circulated to all Members of Parliament. Senators should very shortly be receiving a copy thereof.

PRESENTATION OF PAPERS

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

The Immigration (Forms and Fees) (Amendment) Regulations, 1993

The Barbados Citizenship (Amendment) Regulations, 1993

The Passports and Travel Documents (Fees) Order, 1993.

12.35 p.m.

PUBLIC BUSINESS (Resumed)

ORDER NO. 2 -

THE SUGAR IMPORT LEVY BILL, 1993

SENATOR THE HON. L. V. H. LEWIS: Mr. President, in moving the second reading of the Sugar Import Levy Bill, I invite Honourable Senators to take note of certain amendments which were done in the Other Place and which would have happened after you received the copy of the Bill. On the first page of the Bill, Clause 3(1), the words "by the Barbados Marketing Corporation" have been deleted from lines 3 and 4. In Clause 3(1) lines 3 and 4, delete the words "by the Barbados Marketing Corporation". The effect is to ensure that the levy is imposed on sugar imported by BMC or whoever else.

Secondly, at page 4 of the Bill, Clause 12(2) on the first line delete the words "on the Tables of" and substitute the word "before". So that it reads, "A copy of such report shall be printed and laid before the Senate."

Then at page 5, Clause 14(1) after the words "any person" insert the word "who" and delete from sub-clauses a,b,c,d the word "who" at the beginning. Those were the changes done in the Honourable House of Assembly. The clause reads, "Any person who (a) fails to pay any import levy payable by him; (b) fails to keep records of accounts as required under Section 6; (c) in connection with any import levy, makes any statement which he knows to be false and does not believe to be true; (d) in connection with any import levy willfully, knowingly or negligently produces or makes use of any record, book or account return or other documents that is false; (e) is knowingly concerned in, or in the taking of steps with a view to, the fraudulent evasion of import levy by himself or any other person," etcetera.

Mr. President, the draft Sugar Import Levy Bill, 1993 proposes the introduction of a levy on every tonne of sugar imported by the Barbados Marketing Corporation from April 1, 1993 in response to Budgetary Proposals announced by the Prime Minister and Minister of Economic Affairs in his Financial Statement and Budgetary Proposals which were delivered on March 15, 1993. Indeed, the amendments done in the Other Place which I referred to ensure that the levy is payable on all raw cane sugar imported into the island by any person.

It is proposed that the tax be paid at the point of entry of the sugar and that the Comptroller of Customs be the administrator for this Sugar Levy collection. The tax will be levied on raw cane sugar which includes regular sugar as well as straw sugar. The refined sugar which we import will not be subject to the tax. The tax should also not affect the price of sugar in Barbados because at the present moment this is subsumed within the selling price of sugar in Barbados.

This draft Bill makes provision for the levy to be secured by a bond or deposit on the permission of the Comptroller of Customs pending final entry of the product. Provision is also made for the calculation of the levy when the product is imported in unlabelled containers.

So that, Mr. President, every importer is now required under the draft Bill to keep records and books of account pertaining to the importation of the product to the satisfaction of the Comptroller who has authority within 7 years of the importation of the product to re-assess the levy paid and if, in his opinion, adjustment is required such action is taken. All monies paid over by the importer to the Comptroller is payable into the Consolidated Fund and the Comptroller is required within 6 months after the end of each financial year to submit a report of transactions relating to the monies collected as levy. That report is to be laid in the House of Assembly and the Senate and it is to be published in the *Official Gazette*.

The draft Bill, Mr. President, makes provision for offences in sundry circumstances and for penalties to be applied for contravening the provisions of the Bill. The draft Bill also empowers the Minister responsible for Finance to make regulations requiring security to be given by importers, requiring importers to keep records and books of account and for such books and records to be available for inspection when requested by the Comptroller of Customs. Regulations providing for payment and collection of the levy and for providing for any matter which will facilitate the discharge of the functions to be performed by the Comptroller of Customs under the provisions of this piece of legislation.

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

Mr. PRESIDENT: Senator Barker.

SENATOR T. E. BARKER: Sir, we are discussing the Sugar Import Levy Bill. I am sure that all of us wish the day would come when not one cent is collected under the provisions of this Act. Sir, that day will come when we no longer will have to import raw cane sugar. I am very much looking forward for that day to come. I join with the Minister because in a statement made in the Other Place which was sent to us, Sir, he concluded and I agree with him wholeheartedly, and Sir, with your permission I am

quoting from his statement, "The real issue of significance and national relevance is the low level of sugar production in Barbados which forced the Government to import sugar from other sources. We now need to spend our energy not on far-fetched stories and rumours but on important reform of the sugar sector so that Barbados can meet its international quota provision and manufacturing of bi-products as well as to serve the needs of our people." Sir, I totally agree with my former student when he made this statement. Bearing in mind that statement, I made my original observation that all of us would love the day to come when we receive not one red cent from this particular levy. I see this levy, Sir, as something which is degrading to the island, an island which for 300 years was proudly at the forefront of sugar production in the world, not necessarily in terms of quantity but in terms of quality. In terms of the efficiency of the industry, we were at the forefront in the world for the past 300 years and for us now to be discussing a Bill which is going to put a levy on sugar imports is damaging to my psyche. That is going to preface all I am going to say about the Bill.
12.45 p.m.

Sir, I want to make the point that in the early 80s when the sugar industry was suffering from, among other things, a fall in the export price of sugar as a result of the appreciation of the U.S. dollar, the Government undertook to underwrite some sugar industry bonds on a few occasions, and in order to ensure that money was there to redeem the bonds when they became due, the Government of the day allowed the local price of sugar to be way and above what it was previously and the extra money would go towards redeeming the sugar bonds when they became due. The money that was raised by increasing the price of local sugar did not go into the Consolidated Fund, but rather, a special fund was created and when the money that was borrowed by way of the sugar bonds became due, they had money there to pay. Now we are here in a situation where by virtue of this levy the price of sugar is kept artificially high and the money, instead of going directly to the sugar industry, is going to the Consolidated Fund, because the levy that results from this particular piece of legislation is going to go into the Consolidated Fund. That is the basic difference between what obtained in the early 80s and what is happening now. Now we are taxing sugar not to help the industry but for general housekeeping matters, so I have a basic problem on that score.

I must remind us, Sir, that we are paying this levy. When the consumer goes to the supermarket to buy this sugar he is paying the levy, so the money that is taken out of our pockets is not going in a fundamental way to help the ailing and almost dead sugar industry. So the Minister's statement must be taken into consideration as we discuss this Sugar Import Levy Bill, because what he says coincides with my whole view of the matter, that we

should be looking for ways to prevent us having to import sugar in the first place.

Over the last year or year and a half we had a great controversy about the quality of sugar that was produced, and on this score, Sir, if you may recall, I put a Question in this Honourable Chamber on 16th December concerning the importation of sugar. This is now almost 16th July and the Ministers did not think it necessary, did not have the common courtesy to give a reply to that Question. We are talking now about six months after. Every week it appears on our Order Paper and they would not answer the Question. It shows a disrespect, not to me, but to this Honourable Chamber, because there are some important issues in that Question which I wanted to know and I am refused the information six months down the line.

With your permission, Sir, I now want to say a few words on how we can prevent any money resulting from this levy, which is our aim, because the Prime Minister and the Minister of Agriculture have said on many occasions that we have work so that the day will come when we will not only meet our international obligations with regard to sugar, but also to satisfy our local needs. We must look at ways of how we can get there. Many arguments have been put forward concerning the state of the sugar industry and the reasons for the decline. I have no brief for the industry, for obvious reasons, but I recognise the importance of the industry not only to the local economy but to the environment and to the whole agricultural subsector. It is of vital importance, Sir, and everybody recognises that we are talking about an industry which could form the basis on which we can get back to the state of economic growth.

What annoyed me, Sir, was that in 1989 the Prime Minister realised the difficulty we were in. He realised, after we had told him, of course, that the foreign exchange reserves were plummeting, and if you can remember, Sir, towards the end of that year he introduced credit measures basically which were designed to halt the outflow of foreign exchange. I was looking for him to go to the other end of the scale and say it is one thing to stop the outflow, but simultaneously you have to create conditions for earning more foreign exchange. I thought the easiest way to earn foreign exchange would be to ensure that the industry for which you have a market, for which you have the technical knowhow, an industry which is suitable for our climate and our particular environment, would be the one which in the short run you put all your efforts in, in order to earn the foreign exchange.

What are the figures, Sir? The figures are showing that starting from 1986 every year we got a decrease in the amount of sugar produced. The figures are here in the *Annual Statistical Digest* published by the Central Bank. This year it is under 50 000 tonnes.

SENATOR Dr. F. W. ALLEYNE: On a point of order, Sir. I would not like to say that Senator Barker is deliberately misleading this House. The figures which Senator Barker has will show that in the year 1967 this country produced 204 000 tonnes. Senator Barker is choosing 1986 for political reasons.

SENATOR T. E. BARKER: Sir, is the Honourable Senator disputing my figures? I said that since 1986 every year the amount of sugar declined. I would not want him to tell the other Members that I am a liar.

Mr. PRESIDENT: Senator Barker, you may proceed with your debate.

SENATOR T. E. BARKER: Sir, this is a very important point, because he is calling me a liar.

Mr. PRESIDENT: Senator Barker, nothing of the sort. You may proceed with your debate. If it had been so, then I would have intervened. You may proceed, I said.

SENATOR T. E. BARKER: Yes, Sir. I cannot talk while you are talking, so I was waiting for you to finish. The point is, at a time when we need the foreign exchange most urgently is the time when we are neglecting the very source. Not only that, Sir. Not only are we getting foreign exchange for selling sugar but, on the other hand, we are using what little foreign exchange we have to buy inferior sugar from Guatemala and other parts. That is the tragedy of the situation.
12.55 p.m.

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

SENATOR T. E. BARKER: Contrary to what the Government is saying, the figures show that since they came into office they have almost killed the sugar industry. It is producing less than half of what it was producing when they took office in 1986. That is a matter of historical fact. It is nothing that I have made up. This year, sugar production was under 50 000 tonnes and in 1986 when they came in...

Mr. PRESIDENT: Senator Barker, that is repetition. You said it about 3 times. Do not continue to repeat the statement.

SENATOR T. E. BARKER: Thank you, Sir. I notice from the figures that when we are talking about profitability of the industry we have to take the whole thing into consideration, because if we look at the yield figure it shows that if we take the sugar per hectare it is highest when production is at its highest. It is obvious to me that when we get sugar production high then as a consequence

a lot of the cost is shared and as a result the unit cost of production. Not only that, Sir, you have more money to put into research and so on, hence the yield increases.

I note that in 1980 when we had the highest production of sugar since 1971, the production was 137 000 tonnes in 1980 and the yield per acre was 8.5 tonnes per hectare. In 1986, when the production was 111 000 tonnes the yield was 8 tonnes of sugar per hectare. So whenever production is high the yield of sugar per hectare is also high. As a consequence...

Mr. PRESIDENT: Order, please.

SENATOR T. E. BARKER: When we are talking about the profitability of the industry, I want to make the point, and I agree with the Prime Minister, unless we get production up to a high level the industry will die. So this Bill which is a revenue-raising measure will further kill the industry because what will happen now is that Government will be under no incentive to do those things which are necessary to stop the importation of sugar because it is benefiting in a fundamental way from the importation of sugar.

I wish that we would go back to the days when if you were going to impose a levy it would be ploughed back into the industry to make the industry profitable and to stop the importation of sugar. This levy is not doing anything in this regard because the money is paid into the Consolidated Fund. That is something that we need to examine.

Pause.

Mr. PRESIDENT: If you have nothing further to say, then you may sit.

SENATOR T. E. BARKER: Sir, I learned that you do not talk when other people are talking. They were talking.

Mr. PRESIDENT: You were on your feet, Senator Barker. I do not wish to hear anything of the sort. Either you continue or else take your seat.

SENATOR T. E. BARKER: Sir, on page 4 of the Bill it says that all monies paid over by the importer to the Comptroller shall be paid into the Consolidated Fund. That is clause 11 of the said Bill. so I am correct in saying that the money from the levy is not going directly to the industry but rather is going into the Consolidated Fund. So the bickering of the Members over there shows their ignorance.

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

SENATOR T. E. BARKER: Sir, I will withdraw it. The mouthings of those Members on the other side will not

deter me from making my observation that the money is not going to the sugar industry but rather to the Consolidated Fund.

Mr. PRESIDENT: Senator Barker, if you have to make a comment, you make your comment, but you do not have to do that sort of thing. You are constantly interrupting the flow of your own debate.

SENATOR T. E. BARKER: Sir, I do not understand why I am getting all these interruptions. I am not misquoting. I am just stating and every minute I am getting interruptions left right and in centre. I do not understand why Members do not allow me to talk as I have a right to.

Mr. PRESIDENT: You invite interruptions, Senator.

SENATOR THE HON. L. V. H. LEWIS: On a point of elucidation. The Senator obviously does not understand that the Government by law in 1982 made a commitment to settle the sugar levy bonds out of the Consolidated Fund. Where else would you put the levy that is to be used to cover those costs but in the Consolidated Fund?

SENATOR T. E. BARKER: Sir, I am glad for the assurance from the Minister that the money raised from this levy will go to help the sugar industry and to redeem the bonds. I am glad for that admission. He should have said that from the start. The Honourable Minister...

Mr. PRESIDENT: The Honourable Minister would have assumed that you would have known that.

SENATOR T. E. BARKER: Sir, the Honourable Minister must not assume those things. I know that I am not alone in not fully understanding that point. I am sure of that.

At least I know more than you.

Mr. PRESIDENT: Senator Barker, you are addressing the Chair. I do not know who is "you" when you say it.

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

Mr. PRESIDENT: You must not have the asides when you are on your feet.

SENATOR T. E. BARKER: Sir, but he was making asides to me.

Mr. PRESIDENT: I don't know what you mean by the "he". Will you please continue with your debate, Senator Barker?

SENATOR T. E. BARKER: Sir, it seems as though you all do not want me to talk in here.

Mr. PRESIDENT: I repeat, that is not part of your debate.

Asides.

SENATOR T. E. BARKER: You know how it is. I'm hungry.

Sir, I am glad that the Leader of the House finds the joke amusing, but I don't find a joke in importing sugar.

Mr. PRESIDENT: Senator Barker, you are wasting a considerable amount of time. I keep referring to the standard of your debate. Will you please continue with your debate.

SENATOR T. E. BARKER: Sir, the record will show that you were talking as much as I am talking in my hour.

Mr. PRESIDENT: Senator Barker, it will continue like this.

SENATOR T. E. BARKER: Sir, I have nothing more to say on this matter, but I can assure the Honourable Chamber that while they are joking about this matter the sugar workers in Barbados have been deprived of all the wages because when the pump is low the Honourable Minister does not suffer but the people who cut cane for a living are the ones who are suffering. So while they are joking about the matter, while they find a source of merriment in the matter I am afraid I do not share the joke and neither do the people of Barbados share the joke because the joke is on them.
1.05 p.m.

SENATOR THE HON. Dr. C. D. CLARKE: On a point of order, Sir. I think Senator Barker again is seeking to mislead the House that we are sharing a joke in terms of the plight of the sugar workers. We are sharing the joke about Senator Barker using this Chamber to practise for his next career, that is, comedy.

SENATOR T. E. BARKER: Sir, could the Honourable Minister tell us what his point of order is because he is just rambling. He is just talking.

SENATOR Dr. F. W. ALLEYNE: Mr. President, I must confess that I feel a bit mentally bruised having heard the submission of the previous speaker on the matter of the sugar industry. I have heard debates on the sugar industry and agriculture in both Houses over the years but none as pathetic as the submissions made by Senator Barker. The Senator's submission show a total lack of understanding of the problems of the sugar industry in Barbados.

Mr. President, the statistical evidence on production in the sugar industry will show that since 1967 the

long-term trend has been one of persistent decline. That year this country produced 204 000 tonnes of sugar. We have never gotten back there since then. Senator Barker is dealing with serious issues and he is treating them like a child who is playing with matches and I make that point quite seriously.

I am sure Senator Barker must know, or ought to know, that when we come to analyse the performance of the sugar industry it is not a matter of just saying the Government has done this with taxes, or this levy and that. When you analyse the business of production you have to be much more sophisticated than that and there has been quite a lot of work done on it. The most recent work done on this matter of the sugar industry in Barbados was done by a student of mine, a very bright student, who shall remain nameless, who has done an outstanding study on the sugar industry in Barbados. He did it in 1989 and he followed up on his doctoral dissertation to do a further study in 1992.

Mr. President, I must say I feel very let down on hearing the kind of comment on the Barbadian sugar industry and the reasons for its decline when work of this quality is available to those who want to read it and can read it. Not only did I read it but I was consulted during the compilation of this thesis. It pains me to come in here and sit down to listen to, absolutely nothing but nonsense on such an important matter. Successive Governments have tried to deal with the sugar industry.

Asides.

Mr. PRESIDENT: Senator Barker, that is enough. Do not let us have anymore of that cross-talk.

SENATOR Dr. F. W. ALLEYNE: The fact of the matter is that the sugar industry in Barbados is privately owned and we have to recognise this. There are several factors other than fiscal factors which impact upon the performance of the industry and, in fact, fiscal factors are not the most important factors. There are several serious studies which show this.

Weather is a very important factor influencing what happens to the industry as well as prices you get overseas and the exchange rate between the Barbados dollar and the U.S. dollar. This relationship between prices and the exchange rate between our dollar and the U.S. dollar is critical. When I take with that the local cost of production it is critical in determining profitability which, in the final analysis without trying to go into any technical explanations, will influence yields because if the industry is not profitable you do not have the surplus to reinvest and if you are not reinvesting you cannot build up yields and it is a vicious circle. The problem in Barbados for quite some time is how do we break out of that vicious circle.

It is further than that, Mr. President. The mode of production in Barbados in the 19th Century and even down to this time is a factor which we have to consider. Up to the 1930s and 1940s in Barbados the vast majority of Barbadians had few options for employment outside of sugar agriculture. That has changed from the 1960s. Therefore young Barbadians who were willing to work as agricultural labourers in the 1940s and 1950s are no longer willing to do that today. They will say we want to be farmers and not agricultural workers. A careful listening to the young people today, you will find that young people are prepared to go into agriculture but not into the present system. That is why in Barbados the last census showed – I have figures for the most recent one but I am talking about the census we did in 1981. I have not been able to study the out-turn figures for the most recent census which I got a couple of weeks ago. But what it showed is that the average age of agricultural workers is somewhere in the region of 60 years.

The 1971 census showed that the average age was in the region of 55 years which tells us a story that if the average age of workers in the industry is rising, something has to be done to attract young people into that industry. If we do not attract young people into the industry, irrespective of what we do in Barbados, sugar agriculture will not survive. We must not be so silly to believe that all we have to do is to mechanise it.

Sugar harvesting and milling will occupy us in this country at this time for no more than 3 months a year. After you have spent hundreds of millions in equipment to mechanise that represents foreign exchange which you have tied up in that machinery. We have to seriously consider if it is worthwhile tying up millions of dollars in foreign exchange in expensive equipment and using that equipment for just 3 months of a year. Would not that money be better spent in tourism? Would it not be better spent in manufacturing? Would it not be better spent in promoting services of some kind or the other? These are issues which have to be addressed.

I would have liked to see Senator Barker display a different level of intellectual sophistication in addressing these issues. These are not issues at this time in Barbados where you can go around with political clap trap. This country is at the crossroads as far as agriculture is concerned. The evidence will show in Barbados that when sugar agriculture is doing well non-sugar agriculture thrives and there is a good reason for that. The practice which has been studiously adhered to by management in agriculture in Barbados results in a situation where about 30% of arable land is usually turned over and you get planting for the next crop.

1.15 p.m.

Between the reaping of that crop and the planting of the new cane crop you get non-sugar crops like eddoes,

yams, vegetables and so on. The larger the number of acreage you have under sugar agriculture the larger will be the number of acreage you have under non-sugar. That is part of the rotation system.

One of our concerns, Mr. President, and the Government is on the right track on this regard, is to put a halt to this business of the alienation of land out of agriculture. I fully endorse the Government's position on the restructuring of agriculture with its declared intention to bring back lands under agriculture.

This issue of agriculture, I reiterate, cannot be taken lightly because at this time in Barbados the sugar industry, the production arm and the manufacturing arm owe the taxpayers of this country almost \$250 million. It is not a matter of political clap trap and politicking. We the people of this country are, in a real sense, the owners of the sugar industry. We would be stupid to shoot ourselves in our feet. When Senator Barker speaks about the Government is interested in importing because it gets money from sugar and therefore an implication, if you are interested in importing sugar because you get revenue you cannot be interested in a situation where you have surplus production over and above your external market needs. That is a logical inference of what you are saying. I am saying any government which has that kind of mentality is a government which is shooting itself in its foot. If you have \$250 million of the taxpayers' money tied up in support of other industry, how can you turn around then and destroy that industry? It is like catching at the shadow and losing the bone.

This matter is so serious, Mr. President, this matter of agricultural reform in Barbados that I would have liked to see a debate allocated, just one session of this Senate in which this Senate debates the problems of agricultural policy in this country. It is not an opportunity for scoring cheap, political point on a Government. Both parties in Barbados who have formed the Government from the time we have had representative Government in this country have been confronted with the difficulties of formulating agricultural policy within our setting. I daresay not one of them has come out looking better than the other. This is not a time for *ad hominem* remarks. This is a matter of recognizing that the interest and the future of your country is at stake.

We have a way in Barbados of speaking a lot about how many millions tourism brings in to this country. But I know for a fact that the only foreign exchange which the Government of Barbados, this Government or any other Government has direct access to is the foreign exchange from sugar. I also know that there is not another single major economic activity in this country in which the local value added is as high as sugar agriculture. If we earn \$1 in foreign exchange we do not have to spend any more than 5c. or 10c. in foreign exchange to earn that dollar.

Mr. President, I raise these points so as to try to lift the level of discussion on a very important matter of public policy. Time does not permit me to really get into the meat of the debate in this area of public policy but suffice it to say that the very trivial manner in which Senator Barker approaches this particular problem is a cause for deep regret. Generation of Barbados will come along, they will read these Debates and they are entitled to ask the question: "Who is Senator Barker, how did he get in the Senate?"

I reiterate, Mr. President, this matter of agriculture, in my view, has the capacity to determine the future of Barbados not in the way in which Senator Barker see it because I look at it from a totally different perspective, and I will just elaborate quickly. I believe that in the future of Barbados there is a place for the sugar industry. All of the experts agree that given our soil quality, our very thin top soils and so on that a grass crop is the appropriate crop for our soils. When we look at the cost aspects, the cost of production and we put it alongside the returns which can be got, it would seem that sugar is the one which qualifies. From an environmental point of view sugar is important for us. If agriculture collapses tourism is going to be threatened. Tourism is going to be threatened because it is going to be difficult to control the bush and the growth of shrubs all over this place. Just drive across this country and look at those plantations which have gone out of sugar and see what has happened. Once that happens you are going to get rodent infestation and rodent infestation is going to be a burden on the public purse in terms of allocating financial resources to deal with the health threats. All you have to do is to get some mischievous Barbadians, and we have too many nowadays, to publish something in the papers saying there is some dangerous health outbreak in this country. Visitors will start to cancel their reservations. Once that happens tourism goes into a tailspin.

Let us not deal with these matters in isolation in the way in which Senator Barker is able to isolate them.

Mr. President, I am fully supportive of the initiatives of this Government to restructure agriculture in Barbados because I understand the significance. It is an area of my professional interest which I have pursued diligently for the last 20 years. I am very happy to know today that some 40 of the highly indebted plantations have signed those sugar leases which permit the Government to get on with restructuring the agricultural sector. This matter of the sugar levy is amply explained by the Leader of the House. My only reason for intervening in this debate is to make sure that posterity will understand that there is someone other than Senator Barker in this Chamber who understands the seriousness of the issue we are debating today.

Mr. President, with those remarks I support this Bill. I am much obliged to you, Sir.

Mr. PRESIDENT: Senator Fraser.

SENATOR Mrs. V. C. FRASER: Mr. President, I rise to support the Bill on the sugar levy. On rising to support it I can see the reasons why it is clear that Government had to bring this Bill before the Parliament of this country.

I want to support quite a lot of what Senator Alleyne has said. I am glad at this time that there will be no-taxes on the refined sugar. But I have spoken in this Chamber several times advocating that we look at the making of our own refined sugar because I can see this as something that will affect us in the future. People can create scarcities and therefore the soft drink industry will suffer, the candy making industry will suffer which will include my friend Senator Bellamy and all the industries that are dependant on refined sugar will suffer very seriously. I recall that the last time I spoke about it in here the following morning a goodly gentleman – I do not know how he got it in the papers so quickly – said that we could not make refined sugar in Barbados. I know from my humble knowledge of agriculture that this had been tried and proven and it was very successful and we have the necessary know how in our people.

1.25 p.m.

We have the necessary know how in our people and we also have the technology there that people can make refined sugar in this country. When we look at the amount of money that goes out of this country for all kinds of refined sugar, and here, Sir, I refer to icing sugar as well and loaf sugar and the various types of refined sugar that are coming in still for the tourist industry. These little packets of sugar made in Florida. I do not understand why people cannot buy brown sugar because the tourist like brown sugar and I find that brown sugar is acceptable. All over the world people are looking for things made with brown sugar because they think of molasses content and the nutritive value of the particular product.

Mr. President, I believe that a number of people in this country have been able to get away with a lot of things in the past but I agree with Senator Alleyne when he said that this is a very serious subject.

Mr. President, I have for the last 30 years or over been on Rediffusion calling on people to go back to agriculture. I am seeing some success but sometimes God has a way of telling people certain things and if they do not listen they will feel. I would hate to think that people disregard agriculture in this country and only look at when somebody is coming in on a cruise ship or plane to spend a few dollars.

There is no seriousness among the population of this country as far as Government efforts and the efforts of the people who are interested in trying to put agriculture back

on the trail. We need a conscientious commitment by every single citizen in this country to the development of agriculture in whatever way they can. If they are a quarter million small people they make a lot. If they are 600 000 small farmers or 26 000 and they really work and produce we will be able to feed ourselves and we will stop importing the vegetables and things that we need not import in this country.

Therefore, Mr. President, I think that we have not only to pass laws but we have to keep up with the laws that have been passed. I know there are food, crop inspectors in the Ministry of Agriculture whose job it is to go around and look to see what people are planting in addition to cane. And if they are cane farmers if they are planting a certain amount of food.

People will tell you, Mr. President, that this was a war time measure but I think it was a very good measure because we are sure we did not buy sweet potatoes at the ridiculous price at which we are buying sweet potatoes and yams today.

Mr. President, sometimes when you say things people think it is something that you just keep on saying and you are being a nuisance. I have certain beliefs and I have lived to see the time when all kinds of people who had no interest in agriculture are beginning to have some interest in it because the horse is out of stable.

I should like to complement the Government for its foresight in the reorganisation and reconstruction of the sugar industry and also bringing idle lands back into cultivation and not to be left to grow bush as Senator Alleyne said, for people to hide in.

I believe too that the Sugar Import Levy Bill will encourage some small farmers if we bring some plantations that are near to them back into cultivation but when the plantations are far away from them it is not much of an incentive to them.

Mr. President, I am not going to detain this Chamber but I think I do not have to send home what I have been saying anymore because I have been doing this and I do it on a daily basis that agriculture is the answer to the development of this country.

We are an agricultural community in the Caribbean region and that includes fishing and if we do not get up and get for ourselves and stop sitting down and waiting on the Government to do everything, those of us who have a little bit of land should try and utilise it. Those who have a large acreage and they know that sugar can help to develop the economy try and do it because the time will come when we will have constantly to understand that it would be hard if we do not have any food to eat or to feed the tourist in this country.

Thank you very much, Mr. President.

SENATOR THE HON. L. V. H. LEWIS: Mr. President, there are certain facts which we need to enter into the record and I am going to give them briefly and let us close business today.

The simple fact, Mr. President, the cost of production per tonne of sugar far exceeds the cost of importing a tonne of sugar. It is a gap which when the sugar industry informed Government of their inability to provide sugar for local consumers and the decision was taken to import sugar it was recognised that it would be unwise to import the sugar and sell it at a price below the cost of local production otherwise there would be no incentive whatever for local farmers to ever produce sugar again for the local market.

In order to assist the local farmers in producing sugar for the local market, Government has embarked on an action plan which all of us in the Senate are well aware of. I will not go into that. In order to bridge the gap and in order to ensure that the levy, the cess, the differential, whatever you want to call it was properly utilised it was decided to put it into the Consolidated Fund in order to cover the amount of moneys which Government had to pay out of the Consolidated Fund over the last few years to meet the redemption of those sugar bonds which Senator Barker referred to. He ought to have known at the time if you are going to redeem bonds and if you are going to pay interest on those bonds on behalf of the industry, any moneys coming in has to go back into the Consolidated Fund in order to support Government's continued pay out of the redemption of those bonds.

It is as simple as that and that is the thesis on which the sugar levy is based and that is the only reason why there is a sugar levy. I beg to move that the Bill be read a second time.

The question was put to the Senate and agreed to.

On the separate motions of SENATOR THE HON. L. V. H. LEWIS the Bill was read a third time and passed and cited as the Sugar Import Levy Act, 1993.
1.35 p.m.

ADJOURNMENT

SENATOR THE HON. L. V. H. LEWIS: Mr. President, I beg to move that this Senate do now adjourn until Wednesday, July 21, 1993 at 11:00 a.m.

The question that the Senate do now adjourn until Wednesday, July 21, 1993 at 11:00 a.m. was put to the Senate and agreed to, and Mr. PRESIDENT adjourned the Senate accordingly.
1.37 p.m.

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