THE

SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1994–99

THE SENATE

Wednesday, July 19, 1995

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, July 19, 1995, at 11.20 a.m.

PRESENT

His Honour Senator C. L. BOLDEN, (Deputy President)
Senator the Honourable R. R. FARLEY, (Minister of Industry, Commerce and Business) (Leader of the Senate)
Senator the Honourable G. S. H. MURRAY (Minister of State, Prime Minister's Office)
Senator Miss C. Y. FORDE
Senator T. E. BARKER (Parliamentary Secretary, Ministry of Finance and Economic Affairs)
Senator Miss O. P. SYMMONDS
Senator D. T. GILL
Senator Miss J. C. ODLE
Senator N. P. WELCH
Senator J. A. WORKMAN
Senator S. P. BERNSTEIN
Senator C. LeR. TROTMAN
Senator C. K. LAURIE
Senator Miss V. J. DAVIS
Senator Miss A. P. THOMPSON
Senator C. A. MASCOLL

Prayers were led by Father Errington-Massiah.

Mr. DEPUTY PRESIDENT: The President of the Senate is away on parliamentary business. It therefore falls on me to preside in this Chamber today.

PRESENTATION OF PAPERS

SENATOR THE HON. R. R. FARLEY: Mr. Deputy President, I am commanded to lay the following Papers for the Honourable Senate:

1. The Market and Slaughter-Houses (Amendment) Regulations, 1995.

2. Public Officers Loan and Travelling Allowances (Amendment) Regulations, 1995.

3. The Duties, Taxes and Other Payments (Exemption) (No. 9) Order, 1995.

4. The Duties, Taxes and Other Payments (Exemption) (No. 11) Order, 1995.

5. The Duties, Taxes and Other Payments (Exemption) (No. 12) Order, 1995.

6. The Duties, Taxes and Other Payments (Exemption) (No. 13) Order, 1995.

NOTICES OF RESOLUTIONS

Mr. DEPUTY PRESIDENT: Before we reach the business of the day, I have been informed that Senator Trotman has tabled certain Resolutions. I now invite him to bring them before this Honourable Chamber.

SENATOR C. LeR. TROTMAN: Sir, I give notice to this Honourable Senate of the following Resolutions:

1. A Resolution to extend payment of premium rates of earnings on "closed days" to workers in all shops.

2. A Resolution calling on Government to re-introduce a five-day week to the workers at the National Conservation Commission.

Mr. DEPUTY PRESIDENT: Would the Honourable Leader of the Senate reconvene the Senate?

SUSPENSION OF STANDING ORDERS

SENATOR THE HON. R. R. FARLEY: Mr. Deputy President, I move that Standing Order 45(2) be suspended for the remainder of today's sitting.

The question that Standing Order 45(2) be suspended for the remainder of today's sitting was put to the Senate and agreed to.

INTRODUCTION OF BILLS

FIRST READING OF BILLS

SENATOR THE HON. R. R. FARLEY: Mr. Deputy President, I would like to move the first reading of the following:

1. A Bill to amend the Customs (Amendment) Bill, 1995;

2. A Bill to amend the Financial Administration and Audit Act, Cap. 5;

3. The Final Appropriation (1994-95) Bill, 1995;

4. A Resolution to approve the borrowing of U.S. $40 million from the regional market and to approve the establishment of a sinking fund to redeem issues of securities under the External Loan Act, Cap. 94D, and monies necessary to maintain and service the Sinking Fund;

5. A Resolution to approve a lease of land at Orange Hill, Saint James, to the Barbados Association for the Correction of Learning Disabilities for use as a school;

6. A Resolution to approve the vesting in the Estate of Dunlop Payne, deceased at Tent Bay, Saint Joseph, as full and final compensation from the Crown to that Estate;

7. A Resolution to approve the compulsory acquisition of land for the purpose of the construction of the Six Roads Roundabout, Saint Philip;

8. A Bill to amend the Consumption Tax Act, Cap. 63;

The question that these Bills be read a first time was put to the Senate and agreed to.

GOVERNMENT BUSINESS

SUSPENSION OF SITTING

ORDER NO. 1 – TO MOVE THE SECOND READING OF THE COMPANIES (AMENDMENT) BILL, 1995

SENATOR THE HON. R. R. FARLEY: Mr. Deputy President, as you would be aware, we are without the services of our engineering crew and therefore the sound system is not functioning. In order not to compromise the accuracy of the process, I therefore suspend this sitting until Wednesday, July 26, 1995 at 11.00 a.m.

The question that the sitting be suspended until Wednesday, July 26, 1995 at 11.00 a.m. was put to the Senate and agreed to. Mr. DEPUTY PRESIDENT suspended the sitting accordingly.
11.30 a.m.

ON RESUMPTION

Order No. 1 was called.

OBITUARY SPEECHES

SENATOR THE HON. R. R. FARLEY: Mr. President, before we go into Public Business, for the resumption of this day's sitting I would want the records of the Honourable the Senate to take note of the death of a former Leader of the Senate, Sir James Cameron Tudor.

I would not at this point attempt to go into the full details of the distinguished career of the late Sir James, except to note his involvement with this Chamber during the period 1971-72 when he was Leader of the Senate and again in 1986 when he served as Senator for a brief while. Other high points of his career, the Honourable Senate would want to recall, are that he also served as Minister of Education, as Deputy Prime Minister, as High Commissioner to London and Ottawa as well as Barbados' Permanent Representative to the United Nations.

Much of his parliamentary career was spent in the House of Assembly, but his contribution to political life in general which spanned some 50 or so years will come to be recorded by contemporary and future historians in the most appropriate way.

I would want the records to reflect the condolences of members to the family of Sir James Cameron Tudor.

SENATOR Mrs. A. P. THOMPSON: Mr. President, I rise to lend my voice to that what I call a national celebration in the life of a very great Barbadian. I stand not as one who has no hope because the late Sir James would often say that when one passes away we see each other on the other side in another life. I am especially pleased that I can tender my tribute from this Honourable Chamber from which he so eloquently and ably represented the interests of Barbadians, especially the most disadvantaged, during the period 1971-72 and 1986-90.

My pleasure is enlarged as I cast my mind back to that period 1961-76 when this great man stood alongside that band of social revolutionaries who planned and implemented free secondary education, an epoch which has transformed this country. It is the single most contributing factor to my ascendancy to this great Chamber and indeed the ascendancy of the sons and daughters of many working class Barbadians to positions of influence both at home and abroad. So on behalf of all working Barbadians, I want to say thank you to Sir James Tudor.

Mr. President, I cannot speak on his life unless I make reference to his very humane characteristics. We speak of him as a formidable politician, great orator, intellectual and literary authority. Sir James excelled in all those areas, but to me his greatest strength was his ability to understand life, to empathise with others, to proffer the most soothing and balmy advice in the midst of great turbulence and turmoil.

As a member of the family of the Democratic Labour Party, he was a father figure. Young and not so young in the party sought his advice on many matters. His mind was the hatchery for many of the positive actions pursued by that organisation. He was also a very good listener and on many occasions when members of the Council debated matters, sometimes in a very heated fashion, he remained very still; and at the point when everything was about to explode, Sir James would intervene and with that smooth, gentle and charming voice he would say, "Comrades!" That calm would envelope the room and at times it reminded one of the Master when he calmed the raging sea. Such was the respect which he commanded of his political peers and colleagues.

He was a peacemaker and believed that all political opinions should be aired, including and especially the dissenting ones which he saw as toxins which should be vented, because should they remain bottled up, they would poison the political organ and lead to premature death.

He was a formidable politician whose opponents admired his political skill while at the same time fearing his mastery of the political idiom. His tongue and his pen were the armour and weapons which he used successfully to defeat many a political opponent. Yet he remained calm. His life should be studied by all young politicians seeking to pursue a political career.

He bore no malice and would hurriedly congratulate and offer genuine advice to an opponent who had successfully defeated his Party which he founded with other Barbadians. I believe we need to see a lot more of this kind of characteristic in our young politicians, so I offer that advice to my colleagues.

He was a very intelligent man. God blessed him with a very good intellect and sharp wit, but he remained humble and he reached out to the lowliest in our midsts. Anyone could call on him at any time. He made himself available to offer advice. He disliked arrogance, self-centredness and self-serving behaviour and believed that all lives should be dedicated to the service of all men.

He was a good family man and served as a guide and firm supporter of his brothers and sisters and nieces and nephews to whom he reached out always. His is a very close and spiritual family and since I know that they share a different appreciation for death – they see it as just another stage in the continuation of life – I would not appeal to them not to mourn because I know that they are happy.

Mr. President, I would want to say that Sir James' life is one for all to emulate, especially those of us who aspire to become great leaders at some time in the future. I believe that this little tract which I found some time ago ably represents what Sir James probably said on many a day:

"God grant me kindly thought
And patience through the day,
And in the things I've wrought
Let no man living say
That hate's grim mark has stained
What little joy I've gained.

God keep my nature sweet,
Teach me to bear a blow,
Disaster and defeat,
And no resentment show.
If failure must be mine
Sustain this soul of mine.

God grant me strength to face
Undaunted day or night;
To stoop to no disgrace
To win my little fight;
Let me be, when it is o'er
As manly as before."

May he rest in peace.

SENATOR Miss O. P. SYMMONDS: Mr. President, as Sir James himself writing in one of his articles said, he and I did not share the same political persuasion but there was great respect for each other because in Barbadian parlance our families go back a long way. Therefore, I will not at this stage and on this occasion refer to free education and who really introduced it. We do know, however, of Sir James's links originally with the Barbados Labour Party. I say no more about that.
11.25 a.m.

I have known Sir James, or Cammie, as I prefer to remember him, since I was a child. My grandfather and his father kept shop in Roebuck Street and they were very close friends. His sisters and I went to school together. Their next door neighbour, who was also a class mate of mine, often visited with me at the Tudor's home in Lemon Grove when I spent days with her, as again we say in Barbados. Therefore, I would see Cammie from time to time and although he was a little older than I, although with characteristic chivalry he always said "a number of years", we had the opportunity to get to know each other fairly well.

I remember how proud we were when he went to England and we heard he had become President of the Oxford Union. When he returned we were intrigued by his accent and his experiences there.

Sir James possessed a courtliness and an urbanity, that *savoir faire* and *savoir vivre* which enabled him to do the right things socially and to be at ease in any company. He possessed charm, style and unfailing courtesy.

We shared the same birthday. It was a measure of his thoughtfulness that he would call me on my birthday, even from abroad. More often than not he beat me to it in expressing greetings. Of course, with my discipline I admired greatly his fluency. He was not only eloquent but he had a mellifluous voice. My friend and colleague, Senator Davis would remember in 1988, International Literacy Year, how our Barbados Association for the Teaching of English which she was about to take over from me as President, honoured Sir James for his outstanding contribution to the promotion of excellence in English.

His exceptional contribution will survive his contribution to public life, his contribution to English and to some of the best qualities that had been instilled in Barbadians of his time, as I have said, of refinement and courtesies. In respect, I think of what Senator Thompson has said about his firm belief in after life, and that he will meet his friends and family again, I can attest to. Therefore, in offering sincere condolences to his family, on behalf of my family and myself I can say in the words of the poet Dylan Thomas that "death shall have no dominion."

Thank you, Mr. President.

SENATOR Mrs. V. J. DAVIS: Mr. President, I would just like to add a few short words in respect of the passing of Sir James. I have not been as fortunate as other Members here to have known him over a long period of time but from all I have heard and read of him he is very much and will remain a very distinguished and historical figure in Barbados. I do hope that his life and works will be duly recorded for those to come.

I just want to add one interesting episode because no-one has yet referred to it. I think Sir James was very proud of his ability to cook. To this, I can attest because just over a year ago a relative of his from Trinidad was visiting and we were invited over to lunch. It was a Sunday, just as he died on a Sunday, and he did prepare a wonderful meal. Of course, as everyone said he was so gracious and we thoroughly enjoyed his cooking and the conversation after. Having known him very briefly that remains an enduring memory of a man who was truly almost the perfect gentleman and with all those qualities, writer, politician, cook. He was so many things.

I wish to join with the others in offering my sincere condolences to his family.

Thank you.

SENATOR S. P. BERNSTEIN: Mr. President, I first met Sir James in the 1960s and, immediately on meeting him, one could see right away that he was very brilliant, having been educated at Oxford. He had a command of the English Language and had a gift for writing. His record speaks for itself. He had a very distinguished career and made a very valuable contribution to Barbados.

He was a good political strategist, and I have worked with him on a few occasions. He had the ability to create issues in campaigns. One thing that stood out in my mind, he had a quality similar to the late Errol Barrow in that he would listen to people of all walks of life. Whether he agreed on the subject or not he was always there to listen.

It is with deep sympathy that we mourn the loss of Sir James. My condolences go out to his family and may he rest in peace.

Thank you.

HIS HONOUR SENATOR C. L. BOLDEN: Mr. President, I want to join with other Members of this Chamber in offering sincere condolences to the family of the late Sir James Tudor. I believe I am probably one of the only persons in this Chamber today, one of the few in politics today, who has had passing experience of Sir James in the hey day of his political career.

My association with Sir James goes even further beyond that point because I first met Sir James when he was a teacher at Combermere School. I believe it was on his insistence that the topic Civics was introduced into the school curriculum. He introduced the Third Form to Parliament because we used to come to Parliament once a week and sit in the Gallery to observe the performance of parliamentarians at that time. From that day I could see that Sir James was an astute politician.

I then met the ability of Sir James as a politician in 1970 when he directed the campaign for the bye-election in St. Joseph. Unfortunately, he was not as successful as he would have liked to because, on my side, we had just as brilliant and astute politicians, and we were able to defeat him at that point in time.

When I entered Parliament in the 1970s, we met in this Chamber because the then Parliament Building was under repairs, and Sir James was then Leader of Parliament. I do recall at the end of the first meeting he came to me and said, you have now had your introduction but you can prepare for the political tricks which I will play on you.

Sir James was a politician. He lived the life of a politician and he lived for politics. Besides his other activities, we know him as a teacher, we know him as a diplomat, we know him in several aspects of life. He will be greatly missed by the community, as a whole. He was a man who could accept defeat and still rise to the occasion. I remember within the last 5 or 6 years, he would call me sometimes to relate certain circumstances to me and he would say, well time has a way of healing all wounds. He was sad at certain things which happened to him in politics but he was able to overcome them.
11.35 a.m.

He will be greatly missed from his political side, the Democratic Labour Party, I know because, as has been said, he was able to create situations and he was able to calm situations.

With these few words, I would wish to extend sincere condolences to the family of the late Sir James Tudor.

May he rest in peace.

Mr. PRESIDENT: Senator Mascoll.

SENATOR C. A. MASCOLL: Mr. President, I must confess that I have had very limited exposure to Sir James and I think that that might be more a consequence of the age than anything else. But the thing that is important about life is that once the pen has played its part in making ideas known, then age is not a factor in trying to understand the individual. In fact, it is as a consequence of his pen that I have been able to have some insights into his thinking. I must confess that I have every reason to believe that, as an architect of the educational system, that he was in fact a visionary and I think that the evidence is there for all to see, irrespective of the political persuasion which you may have. To try to deny him the right of being a major player in the development of the educational system of Barbados would be, I think, to do an injustice to the process. In fact, I do not think that when we look at the historical reality that we can deny him that right.

But having said that I have had very limited exposure, I must also say that the Barbados of the 90s though it may be slightly different in its emphasis really is presented with the same kind of challenges that the then politicians of the day had. Right now, though we may not see education as a right and a privilege, I think that we have to look to the future to see that the development of Barbados, especially in terms of ensuring economic democracy for the people requires us to still have the same kind of focus that education might have had back in the 1960s. In fact, I daresay that the education that is now required is an absolute must for us to be able to take this country into the Twenty-first Century and way beyond.

I therefore just simply wish to endorse the sentiments of my fellow Senator, Senator Anne Thompson who, so eloquently, explained and described the life and circumstances of Sir James. All I wish to do is to say that the passing of Sir James may represent, to some extent, a renewal in the political organization in which I happen to be a part of, in that the mantle may now have to be certainly taken up by the younger ones in our midst and be taken up, in such a way, that we do carry on the good work and intentions of those politicians of the 1960s.

I therefore wish to end by saying that, though my exposure has been limited, it has certainly not gone without total recognition that Sir James' life has, in fact, had an influence, not only on my life but on a number of young people in this country.

May he rest in peace.

Mr. PRESIDENT: Senator Goddard.

SENATOR THE HON P. C. GODDARD: Mr. President, Sir, I have known Sir James most of my life as he was part of the political scenery of this country and his family was well-known to my family.

Sir James was, as has been said, a very astute politician, a very clever craftsman and a wordsmith. He was one of the most eloquent speakers that this country has seen and a *debater par* excellence.

I rise to give condolences to his family and to recognize the contribution that he has made to the society in sharpening our wits in understanding the issues and, in being careful not to accept what is written at face value. He is a man who has been very active in this country. He has contributed to the society.

To all of his family members, I extend the greatest condolences.

Thank you, Sir.

Mr. PRESIDENT: I should like to associate the Chair with the sentiments expressed by Honourable Senators on the passing of the late Sir James Tudor, a former Prime Minister and a former Member of this Chamber, a former Deputy Prime Minister.

Sir James has made an outstanding contribution to the public and political life of this country and it is fitting that we should record our appreciation in this Chamber.

I will now ask Honourable Members of the Senate to stand in silence for one minute in tribute to his memory.

Mr. PRESIDENT: Senator Farley.

SENATOR THE HON. R. R. FARLEY: Mr. President, the first Item of Business is the Amendment to the Companies Act, Cap. 308 and it is listed as the Companies (Amendment) Bill, 1995.

Mr. President, one of the foundations on which modern commerce is founded is the capacity or the ability of individuals to form corporate entities. In fact you would agree with me, Sir, that the capacity for the formation of limited liability companies has really been at the cornerstone of business development in the modern era. One of the functions which a Government must perform is to ensure that that process of incorporation becomes as simple and straightforward as possible.
11.45 a.m.

There must be recognition of course that over the years many types of corporations have been developed other than simple and straightforward limited liability companies. For example, in Barbados alone we have several international companies, IBC's, offshore banks, foreign sales corporations, societies with restrictive liability and more to come.

In addition to which on the local scene we have various companies that have been formed by statutes one time or another. These range from what are known through the Interpretation Act as statutory boards to companies such as the West Indies Cricket Board of Control or places like the YMCA which are formed by statute.

This amendment, Sir, relates to the ease in registration of business names, particularly business names in a foreign language as well as it makes provision for the re-incorporation of companies which were previously incorporated by statute. Sir, this amendment has made the full round of consultation with the legal profession and the accounting profession as well as it relates in part to the International Business sector.

In fact, Sir, one of the reasons for the provision concerning the re-incorporation of companies which were incorporated by Statute relates to the fact that many of the older companies, details can only be found of their incorporation in the 1943 Volume of the Laws of Barbados which are now, as you know, Sir, out of print and this creates difficulties for attorneys who are often required to carry out certain checks and advise their clients of the corporate powers of such corporations.

We therefore believe, Sir, that the best way of going about this procedure would be to provide an amendment in the main body of the Companies Act to allow such companies to re-incorporate after which the individual statutes relating to the formation of the companies would be repealed. This, Sir, is a neater arrangement than the process of amending the individual statutes which would be consequential on this amendment to the Companies Act.

Sir, the question of the capacity for speedy and efficient incorporation of companies is really fundamental to this amendment and in fact fundamental to the continual smooth operation of business.

As a general principle, Sir, I am sure you will agree that the general policy concerning registration of names should really be based on the acceptance of names that are offered except in cases where they are likely to cause confusion with already existing names or institutions where the names might be offensive to the moral or spiritual character of the nation or where, Sir, there are other aspects of legality, for example, the use of the name of a company that has been previously wound up but is still involved in legal proceedings. But outside of those broad principles it is the responsibility of the Government to ensure that one is able to incorporate the name of one's choice without too much fuss or bother.

Sir, Barbados being just part of the wider international business community we must be sure there are provisions within the Laws of Barbados to take account of the existence of companies in Barbados which are part of larger corporate entities who do business worldwide and who, in many cases, would prefer to have a common name or a name that has a common theme throughout its

various activities across international borders. The question, Sir, of the use of names in a foreign language has always been one which was not contemplated by the current Companies Act and as such, Sir, those names were usually rejected when presented to the Registrar of Corporate Affairs and Intellectual Property for their reservation. What we have done however, Sir, is to ensure that once again the use involves the principles that have been outlined that the name does not in any way offend the moral character or any such matter. We have provided that names in a foreign language, a language other than English, will be accepted if there is a certified translation, certified by a Notary Public, of the name that is reserved.

Sir, we have also been moving to take some action with respect to the administrative operations of the office of Corporate Affairs and Intellectual Property because as you would be aware there have been some rumblings both from the Bar and from the international community concerning the lack of swiftness in some cases of the process of company registration.

In fact even, Sir, as far as the registration of local companies is concerned there have been some rumblings concerning the apparent difficulty of using a name of one's choice. It is more a case of having a name directed to you because of the various constraints which existed.

We hope, Sir, that with this amendment, along with the other administrative changes that are being made at the office of Corporate Affairs and Intellectual Property, and those changes relate, not only to the structure, the personnel but also the technology which is used in the office, that a new day will dawn and I have just been reminded, Sir, the location, but others will speak to these matters as they proceed. Mine is simply the task to introduce the matter and lay it before the Honourable Senate. But, Sir, we hope that the new day will dawn on this Department which really plays a pivotal role in the development of business in Barbados. No business can really operate without having to interface with the office of Corporate Affairs and Intellectual Property.

As I said, Sir, at the beginning of this second reading that the fact that capacity to incorporate has been at the corner stone of modern business development should not be lost on us. The fact of the matter as indicated earlier, Sir, is that because of the new demands in terms of contemporary business the requirement for different types of incorporation for corporations who do business across international borders there is really a need for us to ensure that we do not, as a Government, restrict or delay the growth of business by having an inefficient and otherwise ineffective office. With that, Sir, I beg to move that this Companies Amendment Bill, 1995 be read a second time.

SENATOR Mrs. A. P. THOMPSON: Thank you, Mr. President, I just want to make a brief comment on this amendment. My concern really is about the number of enterprising Barbadians who are out there taking risks and are really not aware of the benefits of incorporation and since we are placing a lot of emphasis on the development of the small business sector and the contribution which it can make to national development, I would like to implore and express on the Government that the services of the Government Information Service be used to really inform those Barbadians who do not understand what incorporation is about. Now in my day-to-day activities as a financial advisor, I encounter a number of Barbadians who have large sums of monies tied up in sole proprietorships and they believe that incorporation means bringing a lot of outsiders in and that eventually you lose all that you have worked so hard to accumulate and to invest. I think a very sad thing about this is that they do not recognize that by continuing to operate as sole proprietors they put not only themselves but their families at risk, because in the event of an early death then a lot of debt has sometimes been incurred and the family stands to lose a lot. As we look around Barbados, I am sure many of us can remember the days when there were strong black businesses in Barbados. But when we look around today we do not see them anymore and we ask the question why? I discovered that a number of these businesses were sole proprietorships, partnerships, and they never incorporated. They never put the legal machinery in place to protect personal and real assets.

11.55 a.m.

There is another area about this Act or in discussing incorporation that I would like to look at. We recently passed the Society With Restricted Liability Act in Barbados and I am still very concerned that not many Barbadians are aware that individuals who want to enter into partnerships now have some protection by way of this Society With Restricted Liability Act. In this regard, I would also like to appeal at this time to the Government before things get ahead too much and we forget about it, and people have to pay a lot of money to find out what the Society With Restricted Liability Act is all about, that the Government Information Service make sure that Barbadians understand that here is a statutory instrument which can now be used to restrict the liability which they incur in their business.

That is, Mr. President, my input at this time. I have heard a lot of the problems in the Corporate Affairs Department and I hope that they will all be sorted out as soon as possible and things can run smoothly not only for foreign companies, because this is a national economy. At the end of the day, Barbadians must find a way to survive in Barbados and if we all sit here and wait on the dollars of other people to come in to guarantee our

survival, I think it will be a very sad day for us when the economy of others collapse and we do not know how to guarantee our own survival at home. So I hope that we will pay greater attention to incorporation as it affects the livelihood of fellow Barbadians.

SENATOR D. T. GILL: Mr. President, Sir, this Bill which is before the Chamber impresses me in certain areas particularly those areas which make mention of companies overseas whose first language is not necessarily English, where there are abbreviations and you have to translate them into the English Language and thereafter it is smooth rolling.

Now, Sir, in recent times we have lost track with the teaching of the foreign languages in schools and probably not as much emphasis is paid to the teaching of foreign languages. We know that the sciences and the applied sciences as well as business have been ruling the roost. Quite recently, Sir, we have heard one of the leading local luminaries calling on more of the aspiring legal students that after qualifying improve or expand on their ability to grapple with the foreign languages. Sometime ago, Sir, I was called by a lawyer and he asked me if I knew of anyone fluent in German and I was able to direct him to a German chap who had come here some years ago and finally adopted Barbados as his homeland. Although, Sir, we may have at our finger-tips all the recent software and hardware, *etcetera* nothing beats the ability to be able to converse one on one in a foreign language and to be able to appreciate the culture and the background of the country with which you are doing business.

About 10 years ago, Sir, I worked for a pharmaceutical company which had its genesis in England and, as you know as the trade between the rest of Europe and England started to widen, the French bought quite significantly into what once was a wholly and solely owned English company and then later on the French surrendered part of their shareholding to a German Company. As you know, Sir, the Germans are fairly well advance in pharmaceutical technology. But we once ran into a snag which was quite damaging to our local company here in Barbados.

Sir, at the time of tendering this company had an abbreviation after their name Roussel, C.V.I. Part of the company was responsible for overseas trade whereas the other part of the company Roussel which had the letters U.C.L.A.F. following its name looked after the manufacturing side of the pharmaceuticals. What the C.V.I. stood for was *"compoir vente intephar"* which means the sale of the pharmaceuticals international, or we may say an international pharmaceutical trading post. What the U.C.L.A.F. stood for when translated was Chemical Laboratories in France or better yet the French Chemical Laboratories. But, Sir, it was the sheer ignorance of the person who was supervising or who was chairman of that tenders committee and at times, Sir, I think it went further than ignorance, not being able to digest or appreciate the fact that he was not now trading with the English company but rather with the French company which had owned the English company he interpreted that as saying that a new company was now tendering on behalf of the companies with which he was doing business all along.

Sir, there is another part which concerns me when we are dealing with foreign companies and particularly when there is a local representative housed in the company which is doing the distributorship for the international company. I know, Sir, up to a few years ago, and I am not sure if they have been able to clear that up, lots of these representatives although they may be paid directly by the overseas company or in some instances they are paid by the local company which in turn is reimbursed by the foreign company quite often the sore point which arises is that of indemnifying the local representative. There are some international companies who remain quite distant from the local representative although he or she is seen and promoted by the international company as being their mouth-piece, as being their *alter ego*, and so when it comes to the time of severancing, or even before that point, sometimes regional bosses are changed and there is just a clash in personalities and the person who comes to supervise the area does not find favour with the person who is already working in the area, or the representative who is already active in the area does not like the new style of the person coming in.
12.05 p.m.

I have known of instances, Sir, where the person acting locally on behalf of the international company is sent home with little or no compensation. I am fully aware of a case which ran over some two to three years in which the representative was finally awarded his full dues, but this came after lots of to-ing and fro-ing and in my opinion there was not a better representative in the Caribbean than this individual. Sir, it caused him great pain and sorrow, it was great hurt to the family when they had to literally make ends meet on one salary, the wife's salary, and at that point in time the children were at the age where they were not only growing but they were at the point of going on to another level of education.

Sir, there are those three parts which I would like to make pertinent to this Bill and in sum I would like to say that we should foster the learning of foreign languages. Now that all the walls have fallen, now that all the highways have opened, there is no one, in my opinion, more intelligent than a person who can handle two, three or even four languages.

I thank you, Sir.

SENATOR THE HON. P. C. GODDARD: Mr. President, I rise to support this Bill and to talk a bit about the Corporate Registry and its importance in our corporate life in Barbados, not only for foreign companies but for local companies, and also to note that this is just but part of the modernisation and re-organisation of the Corporate Registry, which we hope that by the end of this year will be relocated in new premises which will be more conducive to conducting modern business practices.

It will enhance the ambience of the building space, which will allow for greater productivity of the staff who have been operating in unconscionable conditions. It is only recently that we managed to air-condition the old premises that they are in, and these people have been operating in dusty, hot and uncomfortable conditions for quite some period of time.

There needs to be a re-orientation and a retraining of the total staff and also in this process there will be a training in computer applications and computer literacy. As you know, we have computerised the Corporate Registry and this process will be completed by the middle of next year when all of the old documents will have been scanned into the computer, or the central processor. We are also providing on-line services so that the legal and the accounting professions can hook up to the Corporate Registry and do their name searches remotely and reserve their names remotely. In due course more and more activities will be conducted in this way, on an on-line system, rather than having to send messengers to the Corporate Registry.

In addition to this, we are putting in place sophisticated accounting systems which will track the cash flow of the Corporate Registry and will allow for greater accountability and security of funds. This will improve the operation of the Corporate Registry and make life simpler both for those who work in the Registry and those who have to interface with it. I am sure that this will be welcomed from the point of view of the legal fraternity and in some instances the accounting firms.

This total process is just part of our enhancing the corporate life of Barbados and developing new systems for the offshore financial services. We are no longer operating in a vacuum, we are part of the global community, and we must have the excellence of the developed countries in our institutions. There is no more First World and Third World, we are all at the cutting edge and if we do not arrive there we will not be competitive in today's marketplace. This is part of the process of modernising the Public Service of Barbados and it is this sort of example that we hope to spread throughout the Public Service where we will have true document management systems, on-line systems, video conferencing and really state of the art communication systems which will allow us to conduct the business of Government in a more transparent manner, a more accountable manner and a more interactive manner.

This piece of legislation will remove some of the doubt and some of the confusion over the registering of corporate names in Barbados, and with the appropriate training of the human resources that administer this legislation we will further facilitate and speed up the way that Barbadians do business, as well as foreigners do business, in Barbados.

I without any reservation support this Bill, Sir.

SENATOR C. A. MASCOLL: Mr. President, this sounds highly impressive stuff, computerising the Registry. It is indeed a required thing at this stage in our history, but I am well aware that the scanning equipment is not 100% reliable, and I think Senator Goddard is also quite well aware of that, so the process though it is targeted for next year may. . .

SENATOR THE HON. P. C. GODDARD: Mr. President,. . .

Mr. PRESIDENT: On what are you rising, Senator Goddard?

SENATOR THE HON. P. C. GODDARD: On a point of elucidation, Sir. On the issue of scanning not being 100% reliable, this is a very important matter, because it will impact on the integrity of the Corporate Registry. Let me say that the scanning that is being done is scanning files in as a picture file, which is an exact reproduction, and therefore the OCR process, or the Optical Character Recognition process, which I think you referred to, which is an imperfect and an imprecise science at this point in time, is not being used. So I do want to clarify that.

SENATOR C. A. MASCOLL: I just wanted to make it clear that the scanning process at this stage is still in its embryonic stages. He must be aware of that. That is not a major issue at all. I just rise to make a contribution to this whole question of easy incorporation. In 1986-87, if you look at the records, you will see that there are in excess of 2 000 new companies in Barbados being formed in that one year.

12.15 p.m.

While I respect the need to have legal systems which are adequate, I also understand that legal systems which are inadequate may also serve a fairly good economic purpose. By that, I am suggesting that in the period 1986-87, when in excess of 2 000 companies were formed, it was really a quirk in the tax system of Barbados that permitted that. At that point in time, the corporate tax rate was below the top tax rate for individuals. It was 35% as opposed to 40%.

Indeed, I can well recall that when the top rates were harmonised that there were all kinds of criticism from the Opposition side at the time about increasing the corporate tax rates. Now, as simple as it may appear, the fact that the top individual marginal tax rate was higher than the corporate rate encouraged incorporation round about that time.

In fact, I made the point that a legal system which is imperfect may protect you economically. At that point when it might have been more difficult to incorporate or the process might not have been as we want to see in the future, there would have been an even greater level in incorporation. So all I am saying is that maybe it is a good thing that there was a system in place that made it difficult to become incorporated.

For the future then, I wish to suggest that even though you may be putting a legal system in place that facilitates the process that you will have to accompany that legal system by a fiscal system that does not encourage people simply to incorporate to escape the tax net, as was permitted in the previous income tax system that we had prior to 1991.

In short, there is not always bad in making economic adjustments and being heavily criticised by opposition parties for the sake of sending out all kinds of wise signals into the community. If you are considering adjusting any corporate tax rates in the future and you have accompanied that by an environment which facilitates the process of incorporation you may be undermining the income tax system of Barbados. A very simple observation.

I support the need. I have no choice but to support the need to make the process simpler to encourage all kinds of companies, foreign and local, to become established; but I also recognise, as I think most people recognise, that the financial resources of Barbados are not going to carry Barbados forward. We can wish for all kinds of things to happen locally. It was stated in the 1995 Budget that part of the reason for the exercise was to facilitate higher levels of investment by the private sector of Barbados. I don't think that we have realised any of that as yet.

I don't think that we are going to realise very much of it in all fairness, because the environment does not in fact have those kinds of excess financial resources to create the kinds of jobs that are required for Barbados. Even if you appear to be trying to facilitate foreign investors, it is a necessary thing to do at this point in time because you have no choice if you are thinking about making the economy more conducive to job creation but to encourage foreign investment.

I, therefore, have no difficulty in supporting the amendments in order to facilitate the process, but I have difficulty if you do not accompany such amendments by the right kinds of fiscal policy in order to get the desired ends which you are seeking to get. On that score, that is my simple contribution to this exercise.

SENATOR THE HON. R. R. FARLEY: Mr. President, I beg to move that this Companies (Amendment) Bill, 1995 be read a second time.

The question was put and agreed to.

COMMITTEE

On the motion of SENATOR THE HON. R. R. FARLEY, Mr. PRESIDENT left the Chair and the Senate went into Committee, His Honour Mr. DEPUTY PRESIDENT in the Chair.

Mr. CHAIRMAN: The Senate is in Committee.

Clauses 1-3 were called and passed.

Clause 4 was called.

SENATOR C. K. LAURIE: In Clause 4 it says a statutory committee wishes to incorporate with this kind. I am not too sure I understand.

Mr. CHAIRMAN: Clause 4 of the Bill, Senator Laurie. It begins:

"The principal act is amended by inserting Division C.1."

SENATOR C. K. LAURIE: The rest does not tie under clause 4 the statutory staff.

Mr. CHAIRMAN: Clause 4 introduces into the Companies Act a new section which will now be C.1.

SENATOR C. K. LAURIE: Yes. What I am saying is that under that particular one, I was asking about the part 355.2(1). Is that part of clause IV?

What I am saying is that it says that the company that wishes to incorporate. Do you have a choice? It is not very clear to me if the company wishes to or it doesn't wish to? Can they not wish to? The BAS which was incorporated by Act of Parliament about 150 years ago doesn't have things like articles and so on and I wonder if it means that we would have to reincorporate or not. That is the part that I was a bit concerned about. If you don't wish to and you don't have to, then that is fine.
12.25 p.m.

SENATOR THE HON. R. R. FARLEY: Yes, indeed. The language is intentional. The option is there

for those companies who wish to continue under their current statutes and those who want to reincorporate. As I indicated in the second reading, this section was specifically requested for those companies where the only evidence of the powers of the company being in the 1943 Laws of Barbados which are now out of print and really makes it difficult for attorneys to check on the powers of those corporate entities. They may wish to be reincorporated here to make it easy for the various checks to be done.

The question that clause 4 stand part was put to the Senate and agreed to.

Clause 5 was called and passed.

On the motion of SENATOR THE HON. R. R. FARLEY, Mr. CHAIRMAN reported to His Honour the PRESIDENT the passing of one Bill in Committee. Mr. PRESIDENT resumed the Chair and reported accordingly.

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

ORDER NO. 2 – THE FINANCIAL ADMINISTRATION AND AUDIT (AMENDMENT) BILL, 1995

SENATOR THE HON. R. R. FARLEY: Mr. President, I rise to move the second reading of this Bill to amend the Financial Administration and Audit Act in order to limit the amount the Minister of Finance may borrow by means of temporary advances from any bank or banks to 10% of the estimated current revenue of Government.

Sir, this amendment is really a very simple one, a change from one figure to another. But the simplicity of the process of amendment should not fool us into thinking that the matter is really as simple as that. This matter really has an interesting history.

You will recall, Sir, that the last amendment to this Bill was made in 1990. The Bill was amended to increase the limit from 10% to 17.5%. In fact, that act has been credited as being a major contributor to the difficulties which Barbados experienced in that by raising that limit, it became legal for Government to inflict some serious damage on our economy through the excessive money creation.

But, Sir, this administration has always been committed to trampling on the path of fiscal prudence. In fact, I am sure you would recall that way back in 1991, I have a document which I will make a document of the Senate although I assume that it is one already. I am sure it would have been made but I am prepared to make it a document of the Senate. This document I am referring to is the Manifesto of the Barbados Labour Party, 1991 and way back then we commented on this issue on page 9. The bold heading makes reference to rolling back the limit on borrowings from the Central Bank to 10% of estimated revenue and details are given then on page 10 where one of the commitments says:

> "Repeal the provision in the Financial Administration and Audit (Amendment) Act 1990 which permits Government to borrow money from the Central Bank to the extent of 17.5% of estimated revenue and restore the limit to 10%."

Now, Sir, I am sure that I do not have to recall for you, or to explain to you the impact which excessive money creation can have on the economy. But, Sir, I think the fundamental part of departure is a clear understanding of the role of this financing mechanism.

This method of financing, Sir, that is, having the overdraft amount, is not meant to be a means of bridging the difference between revenue and expenditure. It is not a method of financing like taxation. It is really meant to adjust the flow. It is to be used for temporary advances when the flow of revenue is not adequately matched with the flow of expenditure. So, to use this method of financing as a means of providing for increased expenditure is a fundamental error that has been made and a fundamental error which causes people to misunderstand why careful attention to this matter is so significant.

We understand clearly on this side that this form of financing is only meant to be very temporary in nature. We understand that going beyond the limits of prudence in this matter will lead to problems which we have already gone through. In fact, even before Barbados went through these difficulties the Jamaica situation was there for all to see where informed commentators who had studied the situation in Jamaica in the 1970s have pointed out that the country's economic decline came largely from an increase in the limits of the Ways and Means borrowing which was done to accommodate high Government spending. In short, in Jamaica that Ways and Means account was used to increase Government expenditure rather than what the original intention was as a bridge in terms of matching the flow of expenditure and the flow of revenue, not to increase Government's expenditure in the light of a shortfall of revenue.

12.35 p.m.

But, Sir, there are wider implications to having overdraft limits which are excessively high. They really result from the signals which are sent in these matters. The signal to the private sector from a Government who increases the ways and means limit suggests that the Government has no intention of curbing, for example, aggregate demand. They have no intention of curbing higher spending and that they are going to finance

it, Sir, by ways and means account as opposed to increasing revenue. The private sector would, of course, from there take certain defensive action because they are anticipating the situation. Their defensive action will result in a greater strain on balance of payments. The defensive action, Sir,...

Mr. PRESIDENT: I am hearing voices other than that of the Honourable Senator who is on his feet. It is a bit distracting. Proceed, Senator Farley.

SENATOR THE HON. R. R. FARLEY: The defensive action, Sir, would include prompt settlement of all overseas trade credits, for example. It would include a delay in repatriation of monies earned overseas to the legal limit and beyond. This defensive strategy could include prompt repatriation of profits and the like to overseas importers. This defensive action being taken in anticipation of balance of payments difficulties often themselves precipitate the balance of payments difficulties and, in fact, they become more in the nature of self-fulfilling prophecies.

But the international markets also with an eye to these events would interpret the Government's increase on its ways and means limit, as a departure from fiscal prudence. It therefore becomes more difficult for Government to approach the international markets for financing of its various programmes.

This is a small Amendment but a significant Amendment because what we are signalling to the domestic private sector, to the international market is that this Government is serious about running a tight shift, that we are serious about proper financial management, that we are willing to put the constraints on ourselves to do that. But, Sir, you know that I made my reference to history and other references will be made to history. We will hear, I am sure, Sir, that the limit of 10% was exceeded on several occasions by all Administrations. It might be useful for us to probably take a look at some of those periods, if I can locate that for you.

The limit was exceeded in May and August, 1981, in June and September, 1982, in August and December, 1984, September, 1988, January, February, October and November, 1990. Of course, there was no need to exceed it after that because we went up to 17.5%.

Aside.

SENATOR THE HON. R. R. FARLEY: Yes, up to November would have been exceeding the 17.5%.

But, Sir, given the nature of the ways and means account, given the nature of this overdraft facility, one can understand that there is a fundamental difference between breaching a 10% limit which you know you have a low limit, you breached that limit and you obviously have to move swiftly to move away from that breach to saying to yourselves, let us institutionalize, let us give ourselves larger room, let us legalize it by moving the 17.5% limit. That matter no longer becomes a breach. You have done away with that limit.

The fact that the 10% limit on that overdraft has been breached in those periods must also be matched by the fact that there was a restoration because there was a recognition that it was breached. To make it simple, there is a fundamental difference between someone who does wrong and recognizes that he or she has done wrong and someone who does wrong but tries, by all ways and means, no pun intended, to justify the wrong that they have done.

What we are doing on this side is that we are saying and we are putting our words into action. It is said that when this Administration was last in Government, we were at 10%. When we were in Opposition in 1991 after the Amendment was passed in 1990, we said, in this document of this Senate that we would restore – this document here, some seem not to know it, the Barbados Labour Party's Manifesto of 1991 – we committed ourselves to this Amendment. Again, in another document of this Senate, Financial Statements and Budgetary Proposals on page 21, the Honourable Prime Minister and Minister of Finance stated his intention, quite clearly, to move the limit from 17.5% to 10%. This Amendment to the Financial Administration and Audit Act gives effect to this very wise and excellent financial proposal.

Sir, with those few short introductory comments, I beg to move that this Amendment to the Financial Administration and Audit Act be read a second time.

Mr. PRESIDENT: Senator Mascoll.

SENATOR C. A. MASCOLL: Mr. President, I have just listened to Senator Farley and I can conclude, from his statement, that the question of exceeding the limit of the Central Bank has more to do with proportion than it has to do with principle. That is, if you have exceeded the limit in 1981 and 1984 during the administration of the Barbados Labour Party then, it is like suggesting that to steal a cent is not a sin but to steal $100 is a sin. It has to do then with the extent to which you steal.

Asides.

Mr. PRESIDENT: Order, please. Order.

SENATOR C. A. MASCOLL: Mr. President, it has to be a question of principle. That is a very surprising thing to hear.

SENATOR THE HON. R. R. FARLEY: On a point of order, Mr. President. The Honourable Senator is misleading the House. I was very clear on the point that, as a matter of high principle, we do not favour a breach of the limit that is set.

The point that was made with reference to the historical records is that it is one matter to breach the limit that is set but when you increase the limit to justify your breaches, that is a serious point.

SENATOR C. A. MASCOLL: Mr. President, I still remain committed to my position. It was surprising to me, first of all, to hear the Senator going back to the 1981 and 1984 period because I would think that he would wish to escape that, in that, if he is presenting an argument suggesting that there was a breach in the limit of the ways and means, then I would think that you would not seek to use that period in order to justify the post-1990 period. It is really surprising to hear that this is now a question of proportion rather than principle.

Let me however say that though it may seem to be an issue that the last Administration took a lot of licks for, there are some real principles that we have to look at in terms of that limit, and not just be political on it.

The reason why this Administration can now boast of bringing that limit to 10% has nothing to do with fiscal prudence. let me just explain.

Asides.

SENATOR C. A. MASCOLL: Mr. President, I sat quietly this morning. I have listened. Just let me explain. This Administration accused the last Administration of running too tight a ship, in terms of its fiscal position last year, because it was saying that the DLP Administration can carry a larger deficit. It is documented there. The Prime Minister has said this on more than one occasion. If you may listen to me, Sir. How then, in 1995 when you are carrying, I hope, a larger deficit, this should be the reality because you are saying the deficit was too small so you should be carrying a larger deficit in 1995 than you were at the corresponding period for 1994.
12.45 p.m.

If you are carrying a larger deficit where then would you have the excess funds from in order to be able to bring the limit at the Central Bank down to below what it was in 1994. In short, a deficit means you are spending more than you are earning and therefore if that is the case you have to have a situation, in order to be able to reduce your borrowings from the Central Bank you would have had to run an even tighter ship in order to create a surplus in order to be able to transfer that excess to the Central Bank to reduce the deficit. I wish to let this Honourable Chamber understand the issue in this ways and means limit. The reason why the Ways and Means Limit reached the proportion it reached in a post 1991 period had to do with the fact that the Government in the programme that it was pursuing, had to generate and demonstrate that the economy of Barbados could be self-sustaining, that is, that we can produce from within and not have to borrow in order to do what we want to do. In fact we were unable and quite rightly so to take any foreign borrowing from any source throughout the world on the International Market and use that foreign borrowing to reduce the ways and means limit.

Prior to 1990 all administrations in Barbados only were able to reduce the ways and means limit at the Central Bank because of foreign borrowing and it remains the case now. In fact, last year the Democratic Labour Party administration was able to bring the ways and means limit within the law as a consequence of foreign borrowing and foreign borrowing only. What has happened since then, as we have seen last year in December, is that the additional borrowings which we had we were able to take that borrowing and use it reduce the ways and means limit at the Central Bank.

The Prime Minister is indeed misleading the country of Barbados by suggesting that the Government is now in a position to be able to lend money to the Central Bank and it is outrageous having to make that as a leader.

SENATOR THE HON. R. R. FARLEY: On a point of order, Mr. President, you cannot impute improper motives to Members of either House. I will ask the Honourable Senator to withdraw that statement and have it struck from the record.

Mr. PRESIDENT: I think the point of order is a valid one. The rules are very clear.

SENATOR C. A. MASCOLL: Well the Prime Minister has misinformed by way of inaccuracy, the people of Barbados. Let me just explain what I mean by that and that cannot be taken as any attempt to pull down the Prime Minister. If you loaned me $20.00 and I paid you $10, I cannot argue that I am lending you $10. If the Government of Barbados owes the Central Bank money and has been able through whatever means to reduce that outstanding balance can it then say that it is lending the Central Bank money? The thing about that statement is that if indeed it is so the NUPW is quite justified in suggesting that it should be given a much better treatment in terms of a wage compensation because the Government is now boasting of having money, sufficient money that they can take money from the central Government coffers and lend to the Central Bank. It is absolute madness. It cannot happen.

SENATOR T. E. BARKER: On a point of order, Mr. President, the Honourable Senator knows better. I know he knows better. He knows that the Government had at one time up to $150 million in deposits at the Central Bank so being a net lender it would mean that when we take into account the fact of assets and liabilities the Government is in a net position at the Central Bank.

Mr. PRESIDENT: Senator Barker, that is a speech rather than a point of order.

SENATOR C. A. MASCOLL: Senator Barker you can tell that to the laymen. Mr. President, that is an outrageous statement for Senator Barker to make. This is about the only time that I wish that maybe the outcome of the last election could have been different. Just let me explain that the Government of Barbados is in no way in any position to be lending any money to the Central Bank and the reason why we can reduce the limit is simply because outside of the programme which we undertook in 1991 we could have gone to the foreign capital markets, borrowed money, and in the ways that we did in previous years, reduce that level of balance at the Central Bank of Barbados.

During the programme it was not permitted and quite rightly so. If you are seeking to adjust your economy why should you then allow external influences like borrowing to seep into the system to magnify your performance when indeed it was not from within. So that is precisely why in the post-programme period we can now boast of being capable or able to reduce the ways and means balance of the Central Bank of Barbados. It is a serious observation to make because if you are saying you are making such an adjustment you are admitting to a few things. You are admitting that you have had a substantial increase in your revenue intake for the fiscal period so far or that you have been unable to pursue any capital expenditure programmes in this current fiscal year which I think is the more appropriate answer because it is readily acceptable now and I think we were all here during the Estimates debate, that we never heard of any attempt to go to Trinidad to get any $40 million during that Estimates debate, but that what has happened now is that in light of the fact that there are all kinds of concerns over the IBD loans and that we would scarcely be able to get any IDB loans we have a situation in Barbados ...

SENATOR THE HON. R. R. FARLEY: On a point of order, Mr. President, the Honourable Senator knows that the Standing Orders prohibit anticipation of upcoming matters and the $40 million from Trinidad relates to a matter which is on today's Order Paper but, Sir, we have not reached that point on the Order Paper.

SENATOR C. A. MASCOLL: Sir, this is again outrageous. I am referring to the ability of the Government to be able to reduce the ways and means balance at the Central Bank. I have just said that in the absence of any surplus or creation on Government's surplus in order to be able to return those resources to the Central Bank then the Government would have had to go through two sources, either a generation of revenue well in excess of what it expected or anticipated or that it was unable for whatever reason to increase or spend the required level of expenditure during the fiscal period so far.

I am convinced that because of the absence of any inflow of capital, if we all remember, in excess of $150 million is anticipated from the IDB sources and indeed, Mr. President, if you cannot get that then you must have a situation where you have to resort to some other form of finance and in fact that is what has occurred in recent times but as has been said I will fully debate that issue when it comes up on the Order Paper.

I wish now to address some other even more critical issues, this whole question of fiscal prudence in Barbados. The beginning of fiscal misery in Barbados started in 1981 and if you do your research you will recognise that. In fact in the 1981 fiscal year the deficit as a percentage of GDP was 10.8% which was in fact higher than the fiscal deficit GDP ratio in the period 1990 to 1991. All that has happened is that the absolute size of Government's deficit whereas it was only $191 million in 1981, it was in excess of $254 million in the 1990/91 period, and as a consequence of the increased absolute size there was additional pressure put on Government to find ways of financing that fiscal deficit. And more importantly because of the oil crisis of the 1981 period it was quite easy to go and access foreign borrowing on any capital market around that period whereas in the post 1990/91 period when the worldwide economy was under severe pressure we could not access foreign borrowing. That is precisely what explains why Government in order to meet and commit itself to its bills and the payments of its bills had to exceed the Ways and Means limit at the Central Bank.
12.55 p.m.

The technicians knew only too well that no matter what you were contemplating then, the only way that could be handled is if you decided and accepted that there was no way that we could contain the Ways and Means Limit within a 10 per cent of estimated revenue, why not rather than moving around or fooling around with the issue accept that you are going to exceed that limit and set a limit which you can very well keep yourself within. It was a question of necessity and in fact as a result of the fiscal prudence that has been pursued since 1990...

SENATOR THE HON. G. S. H. MURRAY: Mr. President, on a point of order. I think it is only fair to fellow Senators to let them know that he was a special adviser to the Government at the time.

SENATOR C. A. MASCOLL: Sir, I can well understand the other side believing that they had a circumstance to seek to defend. But you may get away with that in the Lower House but not in the Upper House, not in the presence of Senator Mascoll.

I was making the point though that the fiscal prudence which we are speaking about in 1994 started back in 1991. In fact, I do not wish to make this seem as though I alone have any facts on this issue. I have quoted and I will quote again work done by the present Prime Minister of Barbados. In fact, this is one of his only documented evidence of any paper he has done on the IMF policies and the balance of payments in Barbados. I have to.

Aside.

SENATOR C. A. MASCOLL: On page 26 of the document...

Mr. PRESIDENT: Is your document already a document of the House?

SENATOR C. A. MASCOLL: I think that I have made it a document before. On page 26 of the document, this is the Prime Minister of Barbados you know.

SENATOR THE HON. R. R. FARLEY: On a point of order, Sir. The Honourable Member knows, Sir, that he must avoid misleading the House. To quote from a document, Sir, and to say that this is the Prime Minister of Barbados is really misleading the House. He will have to say the current Prime Minister and he needs to remind us of the period, Sir.

SENATOR C. A. MASCOLL: This is Mr. Owen Arthur, Research Fellow of the Institute of Social and Economic Research who is now the Prime Minister of Barbados. This is 1983. This is the Prime Minister commenting on the period 1981, Mr. Owen Arthur who is now the Prime Minister of Barbados, and he said:

> "In his analysis the fiscal errors committed in 1981 were three-fold."

He said the first was the error of estimation of current revenues which were partly related to growth of the previous year rather than to expected real growth in the year in question. In short, he was suggesting that during the course of that year that the GDP did not grow as anticipated and therefore revenue was not as buoyant. He goes on to say and this is his second comment:

> "The second error involved the continuation of the policy of income tax reduction."

This is the current Prime Minister then Research Fellow. The second error in 1981, watch it, involved the continuation of the policy of income tax reduction. So the Prime Minister is saying that the fact that the Government of the day pursued a policy of income tax reduction, gradualistic and not radical, was in part responsible for the fiscal errors of the 1981 period. That is a remarkable revelation. And the third error related to the mountain of Capital Works Programmes which could only be sustained by excessive domestic credit creation, the same issue which we are talking about now particularly during the first half of the year. But during this period there was fiscal imprudence in Barbados and I will argue quite effectively that it was the beginning of fiscal misery for Barbados and that what happened over the course of the period of the post 1981 period is that successive Governments used foreign borrowing as a means of containing or hiding the fiscal deterioration that had occurred. In fact, it is because of 1990 and the inability of the Government of the day to access foreign borrowing that we had perhaps and indeed the most critical fiscal prudence ever pursued in the economic history of Barbados in relation to the adjustment of the Capital Expenditure Programmes, fiscal prudence in relation to adjustments to Transfers and Subsidies by ensuring that places like the Transport Board were adjusted and ensuring that places like the Cement Plant was privatized and now today is having excess surpluses...

Aside.

Mr. PRESIDENT: Order! Conclude your speech.

SENATOR C. A. MASCOLL: So much so, Sir, that we have a situation at the Cement Plant where workers are working for better wages as a consequence of a productivity bonus which has been put in place. We have a situation at the Cement Plant where the Trinidad company has taken the decision to do all of its exporting from Barbados and therefore we can anticipate even greater levels of output from this cement plant.

We have had a situation in fact at the Cement Plant where there has been increased levels of efficiency translated into profitability within less than a year. It therefore says something about the need to get Government out of certain operations. In fact, it does demonstrate that the post-1990 period was a period of absolute fiscal prudence which the Barbados Labour Party is now benefiting from. There is no doubt about that. You cannot escape the reality. It is the reality that the Barbados economy is now better placed than it has been ever since the 1960's or the early 1970's.

You have a situation, Sir, in Barbados where the Prime Minister has boasted and quite rightly so about the foreign reserves reaching record levels. That started under the Democratic Labour Party last year. But then how can you explain to the people of Barbados that you are

now in a situation where you have reached record levels in the foreign reserves but still you have to run to borrow a $40 million loan from Trinidad. How do you explain it? It is remarkable that we can have this kind of misinformation being put out there to the people of Barbados. It is serious misinformation.

Aside.

SENATOR C. A. MASCOLL: Sir, on this question of reducing the Ways and Means limit back to 10 per cent as opposed to 17½ per cent, it has absolutely nothing to do with the present administration being able to manage the financial resources of the Government.
1.05 p.m.

Sir, on this question of reducing the Ways and Means limit back to 10% as opposed to 17½%, it has absolutely nothing to do with the present administration being able to manage the financial resources of Government to such an extent that it can demonstrate that that management has been translated into surpluses sufficient to transfer those surpluses to the Central Bank of Barbados. I am saying to the people of Barbados that the reason why the Ways and Means limit has been reduced from 17½% to 10% and can be sustained over the next three to four years, possibly, is because we are now able to access foreign borrowings in order to be able to reduce that Ways and Means limit.

Aside.

SENATOR C. A. MASCOLL: Sir, I understand this issue, if I may boast, better than anyone in Barbados. I have to boast on this issue. I am the person in Barbados who went into the Treasury, who went into Inland Revenue and understood for the sake of the Barbados Government why it is that we had certain situations occurring with the Ways and Means and why it is that we could not find appropriate explanations for the Ways and Means Account between the Central Bank...

Aside.

SENATOR C. A. MASCOLL: Documented? You better believe it is an ego trip, because this ego trip is required in order to be able to explain to the people that what is presently occurring has nothing to do with any Houdini...

Aside.

SENATOR C. A. MASCOLL: But he would accept that. I am a trained economist, so you had better understand it. You are trying to give the impression to Barbadians that this is as a result of any fiscal prudence since September 1994. It has nothing to do with fiscal prudence, it has to do with the ability now under this present dispensation, in a post-IMF programme, to be able to borrow from foreign sources. So it is just a question of being able to borrow, but we go out there and try to give the people the impression that all of a sudden Barbados is in such a healthy state that we can grandstand about reducing the Ways and Means limit at the Central Bank from 17½% to 10%.

As I said earlier, to be able to do that, and if sensible, you would have had to be in the position where you are creating surpluses as a result of your management. This is a trivial issue that the Prime Minister is trying to put to the people of Barbados.

Asides.

Mr. PRESIDENT: Order!

SENATOR C. A. MASCOLL: Sir, it is important to make these kinds of statements, because it is said to believe that we can have a situation in Barbados where we are trying to suggest willy nilly that as a result of a mere change in Government all of a sudden almost everything in Barbados is now perfect. We have a situation where there is absolute management by perception now taking place in the country, public relations adjustments, so you go out there and you say things are healthy, things are great, and as a consequence of that you can think that that can translate into a healthier financial position. It will not happen that way. It is precisely why we have had a situation where there has not yet been an articulation of any job creation programme, because there is yet no clear understanding as to what kind of role Government can play in that programme, except to say that Government is now in a position where it has now rehired a few workers here and there and still has not been able to reinstate the five-day work week at the NCC. It is now in a position where it is taking people who have just left school and giving them a so-called bus fare and lunch money approach, as was recommended, and would you believe when it was suggested that it was appropriate for youngsters of Barbados to have an opportunity to get training on the job in the job market that you had all kinds of criticism in Barbados about it being a bus fare and lunch money approach, and now this same administration is taking youngsters out of school, attaching them to Ministries and giving them $100 a week. It is absolutely ridiculous that we can have that kind of situation taking place, but what goes around comes around.

I would like the Prime Minister of Barbados to come and explain to the people of Barbados why in fact he has been able to reduce the Ways and Means limit to 10%. He owes it to the people of Barbados to explain that. You cannot come and boast idly that you are doing this with all kinds of prudence. The people out there feel that all kinds of things are happening which are not happening.

The people out there have every reason now to believe that in light of the healthy situation, and I repeat, that they can justify having a 20% increase, that is the Civil Servants, so it may be quite prudent to support the NUPW on the basis of recent evidence given by the Prime Minister on the healthy state of the finances.

Aside.

SENATOR C. A. MASCOLL: But if you are going to do that you have now to come and demonstrate to us and tell us explicitly why this thing is happening. I have heard this before, I have listened to it, I have heard all kinds of statements being made during the Estimates about how you intend to correct and bring in all this revenue. I have already challenged that and the evidence is already there to show that even the manufacturers who thought they were enjoying all kinds of benefits as a result of concession and easement, as they call it, are now under pressure, so much so that the Government has had in fact to send back the outlook to the Central Bank, because the Central Bank apparently projected zero growth in the manufacturing sector in the initial outlook. Therefore the Government could not understand how, with a $5 million concession in a $1 billion industry, there would not be a substantial increase in the output in the manufacturing sector.

Now, if you are telling me that $5 million alone, less than 1% of 1%, can inspire a $1 billion industry to the extent that was predicted in the manufacturing sector, then you are suggesting to me that this is Houdini economics. To merely lift a 2½% c.i.f. value on some goods, intermediate goods, for manufacturing purposes, is going to restore the manufacturing sector to all kinds of vibrancy, create 18 000 jobs in the next three years, as said by the then President of the BMA, and now all of a sudden there are all kinds of concern about the health of the manufacturing sector.

SENATOR THE HON. R. R. FARLEY: On a point of order, Mr. President. I believe the Honourable Senator is misleading us. The Central Bank to which he is referring made this economic review dated June 1995 stating on page 4 that for the first three months in 1995 there was a 7.2% rise in manufacturing output, as compared to 3.4% increase in the same period for the previous year.

SENATOR C. A. MASCOLL: Sir, I referred to the projected outcome in the manufacturing sector, and indeed only last week the Barbados Economic Society made a projection of only 2%.

HIS HONOUR SENATOR C. L. BOLDEN: On a point of order, Mr. President. The Honourable Member has to be consistent. The Honourable Member cannot persist in wavering all over the place without consistency. He said just now that the Central Bank projected zero growth, now he comes and says they are now projecting a 2%. Which does he want?
1.15 p.m.

Mr. PRESIDENT: Well, that is really not a point of order. I think, Senator Bolden, you will have an opportunity to address your remarks.

SENATOR C. A. MASCOLL: Mr. President, like most economic activity in Barbados there is a seasonal component. What you don't do is jump to 7% growth in the first quarter of the year. It is the time when you are just coming off the Christmas activity. You don't just jump to those kinds of things. The real acid test in economic activity in Barbados is during this period, July to September, the third quarter of the year, when the economy is under its greatest amount of pressure, when the fiscal position is not as strong, when the tourism sector is not as buoyant as in the winter, when you don't have sugar knocking around. So Sir, you don't jump to those kinds of projections. I can understand the need of the Government to make it seem as though things are really looking great and using seasonal...

SENATOR T. E. BARKER: On a point of order. That projection was not by the Government but by the Central Bank. The Honourable Member should know that the projections by the Central Bank are theirs and not Government's projections.

SENATOR C. A. MASCOLL: Mr. President, I can understand where the licks are coming. The fellows pick the most petty things to deal with. This is to interrupt the flow.

Mr. President, let me wind up by saying the Order Paper in fact looks very exciting, so I don't need to extend myself fully in the first innings. I can come back later. Let me just wind up, Sir, by saying – and I am being very serious – that the ability of the Government to bring the Ways and Means limit from 17½ to 10% is not a result of the internal workings of the fiscal system. It is not because Government has been able to cut expenditure or increase revenue and create surpluses and, therefore, as a consequence of that, has been able to take those surpluses and transfer to the Central Bank and therefore reduce the Ways and Means limit.

In fact, anyone who truly understands the Ways and Means account would know that for Government to be able to reduce the Ways and Means account it has to run a surplus in excess of amortisation payments, which are considered as below the line items, to be able to take that Ways and Means account down.

In the absence of foreign borrowing – it is slightly technical – the Government would have to generate surpluses sufficiently large to cover what we call amortisation payments. These are the debts that Government would have incurred over the years, and repayment of the principal is considered to be the amortisation. So on a very serious note, to get the Ways and Means account down at the Central Bank would require for us to be able to borrow from foreign sources. In fact, that has now been the case and it started last year under the Democratic Labour Party Administration, because we have been able to do that from the 1980s.

Every time you borrow foreign dollars, the Central Bank, which is the banker for the Government, especially for foreign transactions, is then able to take that borrowing and reduce the Ways and Means and credit some other account. So it is not an issue of there being any fiscal prudence giving rise to this. I want the people of Barbados to know in fact that this adjustment is one that the Democratic Labour Party itself could have easily made in the fiscal period if it had won power back in 1995. Indeed, it would have been advised to do so during the Budget of 1995.

It is a simple transaction and it has nothing to do with fiscal prudence, but it was indeed a political issue and therefore I can understand the attempts by the present Administration to make it seem as though they had to score heavy politically from this exercise. It does not change the picture by attempting to politicise the issue. What it does is to elevate you for a time, but unless you remain prudent in your fiscal affairs it may very well threaten the very 10% limit which you have just put in place.

On that note, Sir, I dare say that this issue ought not to have been such a big issue in the first place and that the other side has demonstrated that the previous limit of 10% was in fact broken prior to 1990 and on more than one occasion. In fact broken on more occasions than were explained by Senator Farley. It was broken on a number of occasions. What would happen is that during the course of a month you are able to hide the balances of the Central Bank and by the end of the month you may have a situation where you can recover...

SENATOR THE HON. R. R. FARLEY: On a point of order, Sir, I would want the Senator to bring those other instances other than what I have mentioned to the Senate or withdraw those statements which suggest that I was hiding some information and by extension misleading the Senate.

SENATOR C. A. MASCOLL: Your research has been inadequate, that is all I am saying.

Asides.

SENATOR C. A. MASCOLL: The truth is that I cannot recall it now. I have done a paper which I can make a document of the House on this. Sir I cannot prove it. I can withdraw the comment.

So we can take the point that...

Mr. PRESIDENT; Even the Chair has difficulty with that logic.

SENATOR C. A. MASCOLL: We can take the point that the Barbados Labour Party Administration has admitted to having committed the sin of exceeding the Ways and Means limit, but it has only pleaded that the sin has been smaller than the sin committed by the Democratic Labour Party. Is this point well made or what?

I therefore expect that this issue will now rest as an issue merely as a question of window dressing and it is not really an issue to be highlighted and politicised. The critical issue for the Government of Barbados now is to be able to pursue its agenda of job creation within the bounds of fiscal prudence and within the limit of 10% which is now being established by this amendment.

I thank you for your patience.

SUSPENSION

SENATOR THE HON. R. R. FARLEY: I beg to move that this Senate do now suspend until 2:30 p.m. today.

The question was put and agreed to and Mr. PRESIDENT suspended the Senate until 2:30 p.m.
1.25 p.m.

RESUMPTION

Mr. PRESIDENT: The sitting is resumed.

SENATOR T. E. BARKER: Mr. President, the amendment to the Financial Administration and Audit Act which is now before us represents an important contribution to a return to good economic management in Barbados after the excesses and the folly of 8 years under Democratic Labour Party rule. It is a return, Sir, to sanity in the fiscal management of Barbados. It may seem on the face to be a slight amendment but it has deep-seated and significant implications as the Barbados Labour Party Government seeks to rescue this country from the pit in which it was placed by the last administration.

Sir, I very well remember when I was in this Honourable Chamber in the last session a Minister of the then Government who was supposed to be an expert in economics in response to my questioning about

the breaches in this overdraft limit his comment was that the law was made for man and not man for the law. That, Sir, is in Hansard. That represented the stupidity that passed for economic management in the Democratic Labour Party Government at that time.

Sir, it is crass stupidity because if we look at the history of the Ways and Means account, it was never intended that this was a method of financing Government's operation. It was never the intention because we must understand that in an economy like Barbados whenever you increase the money supply, there is concomitant increase in the demand for foreign exchange and in a foreign constraint exchange economy as Barbados is, it is nothing less than economic folly to increase the money supply without paying attention to the critical area of balance of payments adjustments. So the increase in the limit from 10% to 15.5% in 1990 that 17.5% made at the time, you are talking about $70 million or thereabout, made borrowing from the central Government from the Central Bank. Given the marketing propensity to consumer imports in Barbados, that $70 million could well mean an additional $40 million in foreign exchange requirements. That is the root cause of most of our difficulties in the early 1990s.

Sir, again I remember the words of the former Prime Minister after the 1991 election in response to a reporter's question he said that he knew what to do but he was not prepared to commit political suicide. Those were his words. In short, they knew the damage they were doing to the economy but party came first. The then Prime Minister was not prepared to commit political suicide but he was prepared to commit mass economic murder.

Sir, as I said before, the Ways and Means was never intended to be an instrument of financing Government's operation. It was there primarily because in any financial year there are seasonal fluctuations in both expenditure and revenue so there are times when you have to spend more in a given month than you are receiving. Also there are times that you receive more in a given month than you are spending, so if the time came that you were spending more in that given month than you were receiving because of the seasonal nature of both revenue and expenditure, there had to be a little leeway there to allow the Government to carry out its functions and that is why the Ways and Means account is there in the first place. At the end of the financial year, it should be zero because then you have taken into account the seasonality of both the revenue and the expenditure. If it does not go to zero it means that you are financing your operations out of a source for which it was not intended in the first place.

Sir, at the beginning of the year if we look at the Estimates, every estimates have the same provisions that the Government must, at the beginning of the year, tell both Honourable Chambers how it intends to finance its operations, how much is from domestic sources and how much is from foreign sources. At the beginning of the year it is a stated year and if you look through every estimate you will see items for foreign financing, domestic financing and so on. No where in the domestic financing do we see Ways and Means. But still, in spite of that, Government has always used that as a measure of financing.

Sir, I want to talk a little about breach in the law because it is important that we put things in their perspective. As I said, Sir, the Ways and Means allows you to balance revenue and expenditure ...

Aside.

SENATOR T. E. BARKER:.. To synchronize Government's revenue and expenditure. Thank you Senator Mascoll. So because at the time when you are synchronizing, no matter how careful you are, you may go over $1 million or $2 million, I want here to stress that by breaking the limit by $1 million or $2 million is not the same as breaking it by $20 million. Even although you have broken the limits, the effects would not be the same. The quantum is important.

Sir, it is like a man driving on the highway. The speed limit is 50 kilometres per hour. He is there driving along and he finds himself at a speed of 55 kilometres an hour. What must he do? He checks his speedometer and he goes on the brakes a little bit to bring him back to 50 kilometres. But technically speaking, he has been speeding. But two things happened. One, he recognises he is speeding first of all and he makes adjustment. But why in 1981 we never got a situation where it was broken two months at a time? In other words, there were never two months that the overdraft was exceeded because the Government recognised we were a little bit over the limit, let us then hold back and maintain a speed of 50 kilometres an hour. So while technically speaking there was a breach Government was not perpetuating a sin because it was an unintentional breach and when Government realised that it was a little bit over, they decided to respond to the fact.

The law recognises that because which magistrate or police officer would want to charge a man if he exceeds the speed limit by 2 or 3 kilometre an hour. The magistrate would say, "okay boy, there is nothing to worry about. Make sure it does not happen again". Once it is for a short period of time the magistrate would then use his discretion.

Sir, as you know very well, driving at 55 kilometres an hour is not the same thing as driving at 100 kilometres an hour. The law recognises that the two of them even although they are breaches, the law recognises that they are different. In one case there is a complete disregard

for the law and in the other case it can be just that the fellow was a little bit careless, and was not checking the speedometer carefully enough and hence stepped over the limit by one or two.

Sir, it is not enough to say that a breach of $1 million is the same as a breach of $100 million. It is not the same, neither in law nor commonsense. By no stretch of the imagination could we equate the two breaches. In the amounts that were mentioned the breach was in the order of $72 million out of a revenue of something like $400 million or $500 million.

In any case, I would go a little bit further. If the Honourable Senator is saying we broke the law, therefore we are justified in breaking it, let him tell us that the consequences of the increase in 1981 were such that the country suffered a little bit of a hiccup then. If he knew that that was the consequence of the breach in 1981, why then having seen the history of the action go in 1990 and extend it, not by $2 million or $3 million, but increased it by $30 million and $40 million?

Sir, I want to suggest, in all humility, that the timing is important because this breach occurred around the second half of 1990. Around the second half of 1990 was the time when a lot of these breaches were occurring. It did not have anything to do with the fact that the elections were held in January of 1991. I do not believe in these sort of coincidences. I believe that it might be a case of a contrived coincidence.
2.30 p.m.

But the point is, as the former Prime Minister said he was not prepared to commit suicide. What makes the breach and the Act of 1990 so reprehensible is the fact that having increased the limit from 10% to 17½% the figure indicates that, in spite of the fact that it was increased to 17½% that, on many occasions in 1992, when the limit should have been about $177 million or thereabouts, it went as far as $244 million, in spite of increasing the limit from 10% to 17½%, even the new limit which was economic madness was recklessly exceeded. It is a matter of record.

And now the Honourable Member is going to get up and talk about us breaching the law. The fellow has no shame. No shame. At one time it went to $244 million. At another time it went to $266 million, almost $100 million over the limit. He is going to compare that with an occasion when it was over by about $4 million or so. At one time, they were $90 million over the limit in spite of the fact that the law was in effect.

This brings me to another important question and this is something that I have a lot of difficulties with. If I break the law which I have no right doing... One time – I am not proud of it – I exceeded the speed limit and I got a summons from the police. I had to go to the court and pay some money. I am not proud of it but it happened. As I say, Sir, I am a convict. But I could not change the law. I was caught speeding.

Mr. PRESIDENT: I hope, Senator, your statement is not taken out of context.

SENATOR T. E. BARKER: I sincerely hope not, Sir. But the point is at the time the speed limit was 30 miles an hour and now it is somewhere in the 40s. I could not go and change the law and say that the law said it was 50 miles an hour. I did not have that power.

That is what the Government did. They said I am changing it to 17½% and any time in the past that I have broken it, I have not committed any fault because, by my action, I have redeemed myself.

Aside.

SENATOR T. E. BARKER: Yes, self-righteousness. They are doing what the ordinary citizen cannot do. To make matters worse, where was the remedy on the law? It is no sense having a law which cannot be enforced. That is foolishness. You cannot have a law which cannot be enforced. The law says that the Government is not supposed to borrow more than 10%. Why was the Government allowed to break the law with impunity? In the same way that I was made to pay for my action, why, Sir, can we not have a law on the Statute Books which says the Government must not exceed a certain limit, and Government goes, with full knowledge that the law is broken, and acts as though nothing has happened? I am saying that the Central Bank of Barbados has a lot to answer for because I can remember, at the time when this was happening because I used to have friends in the Central Bank, high up, I asked how come you all are allowing the Government to break the law like that? They were saying we cannot bounce Government's cheques. They said, just think what would happen if we started bouncing Government's cheques. Government had then an institution which was supposed to be independent and that institution allowed Government to do what it liked to break the law by $90 million without that institution doing anything about it.

I think that they have a serious problem with credibility. I can understand one or two cases in the Government where they say, you are over by a couple million, put things in order. But, where you are over by $90 million, without that institution bouncing the Government's cheques, it leaves me to query whether or not that institution is fulfilling its mandate to the people of Barbados.

I want to say that a Central Bank which is not operating efficiently and properly can do more harm to the country than not having one, in the first place. If you are going to have a bank which can allow this sort of thing to happen with the ruin that happened to our economy, you had better not have one in the first place. If they are supposed to ensure that Governments do not exceed the limit and so on, and they, by their action, allowed Government to break that limit consistently, well then, I have to question the very *raison d'être* of that organization.

I will never believe that the Central Bank Governor is a creature of the Minister of Finance. If a person feels himself that way, I would question his right to be in such an important position. He must be in a position where he has the courage to tell Government, look, your action is wrong and it is going to have these effects on the economy. Any time they cannot do that, I question their right to be in that position. To the credit of the Governor who made that statement, we never saw the sort of breaches occurring, under his watch that we saw, in recent years.

The Central Bank must be independent. Independent in action and independent in thought. Their role in the economy is so critical and so pivotal that if they allow these sorts of things to go on, we will find ourselves in the situation that Jamaica found themselves in and Guyana and Trinidad and the others. It is very important that that institution gets its act together and make sure that the things that culminate control are properly executed.

I also want to make the point that not only is Government's borrowing from the Ways and Means that is harmful but also Government's use of the Central Bank in purchasing its Treasury Bills. That will also have the same effect. That is why I am glad to note that when we came into office in September that, at the end of August the claims on central Government were $176 million and by May it was less than $100 million and consistently so. This Government has, in its wisdom, decided that that method of finance is a no no. So we cut it from $176 million to May when it was $98 million. That includes, Sir, both Ways and Means and Treasury Bills because they both have the same effect, basically. What I am saying is that it demonstrates that this Government, not only says what it is going to do but it demonstrates, by its action that it is prepared to do what is necessary to right to ship of state.

In April and May, the Central Bank was holding no Treasury Bills. When the Prime Minister talked about a net contributor to the Central Bank, he is quite right. I will not have the Honourable Senator calling the Honourable Minister of Finance a liar because the record is there. I want him to contradict the record. He has not contradicted it yet. I want him to get up and show me chapter and verse where the Minister of Finance is wrong. Until he can give me chapter and verse, I cannot take his word.
2.40 p.m.

Sir, we are happy, on this side, to be associated with this. It tells the world that the Government is serious about the management of its affairs because do not forget, any Minister of Finance is bombarded with claims from all Ministries for increased spending. Everybody wants good things. Sir, we are sure that this Minister of Finance is strong enough to make sure that expenditure is brought in line. Sir, it is very important that the expenditure of the Government must be brought in line because if we want to develop our economy in the way that it has to go, we have to make sure that the management at the micro level as well as the macro level is tight.

We have to make sure that excessive spending, as evidenced in the last administration, is a thing of the past. We have to make sure that there are no more Sherbournes. We have to make sure that there are no clinics in St. John half-finished. We have to make sure that when we start a school in St. Thomas that we can finish it. We have to make sure that when we start a Ministry of Education building that we can finish it. We have to make sure that before we break the ground in a ground-breaking ceremony that we know where the money is coming from and we can justify the expenditure on that particular item. So, the fact that we are not going into these projects willy nilly, Sir, the fact that we are taking our time and making sure that we have the resources to do things, the fact that we are doing all of that is evidence to the fact that this important ways and means account and the claims on the central Government, held by the Central Bank, are brought to a decent level.

The will was there and the Minister of Finance made sure that he sent the message early that he is not going to tolerate excessive spending. He sent the message early that any spending has to be justified and you could only spend where you have the resources to spend it on.

Sir, we are into a different ball game and the last ten months have demonstrated to the world that we are into a period where we are going to focus on proper management of our resources. Sir, this has been highlighted by the fact that in spite of what Senator Mascoll says, a few months from now we are going to be voting on a Resolution which shows that we will be able to go on the capital markets and get funds at good rates when we want them all because there is renewed confidence in the economy and the confidence is as a result of the fact that the Prime Minister has from day one made sure that the signal was sent that we are into a period of proper and efficient management of our economy.

Sir, this is critical and I am sure Senator Mascoll has no problem supporting this Bill. I would also like

to know that in spite of all he talked if he is going to vote against this Bill because, Sir, he knows, he has been taught the effects of increasing the local assets of the Central Bank on the balance of payments. He knows it, Sir, because he told me so. Sir, we speak on many occasions. We are always speaking.

Mr. PRESIDENT: Senator Barker, would you please address the Chair?

SENATOR T. E. BARKER: Sir, I thought I was addressing you, Sir, but I apologise. Sir, we speak on many occasions and he has demonstrated to me that he is pleased with the hypothesis that increasing the local assets of the Central Bank would be harmful to the foreign reserves. We spoke on many occasions about that, Sir.

Sir, if he is going to vote against this Bill he must be a man and come and say I support this Bill because, Sir, the Leader of the National Democratic Party, I almost said his leader, Sir, but I apologise for almost saying it.... Sir, the point is that the Leader of the National Democratic Party referred to this Bill as one of the most significant actions that the Government has done so far.

Sir, I agree that this is one of the most significant things, not only in what it has done but the signal that it is sending to everybody in Barbados, that this Government is going to manage the fiscal side in a logical and sensible manner as it has done in the year from 1976 to 1986. The signal is there. And, Sir, the international community and the local community have responded because there is a renewed confidence in the economy and those of us, Sir, who are in a position to know will see the effects of this by the way that businessmen and others are responding to the new order after having gone through 8 years of disorder and recklessness and the abandonment of sound principle.

Sir, very soon we are going to see the result because so far we are seeing the results in the decline in unemployment. We are seeing results, Sir, because unemployment is declining and I am sure that when Senator Mascoll gets around to reading the data he will see that in the first six months there are over 3 500 more people working than there were in September last year. So we are well on our way to solving the problem of unemployment.

Sir, for those out there who have pointed out the fact that the DEMS created 6 000 last year, I would want them to know that they had the country at such a low level we had reached the pits, so the only way to go is up. Under them, Sir, unemployment was at the highest level ever because at no other time unemployment was 25%. By 1992, under that Government when Senator Mascoll was the adviser to the Government under his advice unemployment went to 25%. And he is so proud of it, that he was adviser to the Government. Under him we had a record level of 25% unemployment.

I do not want to boast about that fact, Sir, but I am saying that because of the signal we are sending to Barbados and to the international community, unemployment is reducing. This is but another measure, Sir, more will come. I want to talk about debt management in a short while and there again we will see the policies of the Government starting to bear fruit. So, Sir, with those words I want to urge all Senators on both sides of the Table to see this Bill as another step on the road to economic sanity and good management of our affairs and will, Sir, give it all the support it deserves because we are trying to build a better Barbados and this is but another step. Thank you.

3.00 p.m.

SENATOR THE HON. G. S. H. MURRAY: First of all, I would like to congratulate my colleague who preceded me for a most eloquent recantation of what had transpired before him from the other side. I believe that he felt impassioned to do it that way because the speaker who preceded him was supposed to have been a former pupil of his and therefore he felt that he had in some way shown what had not been learned from him.

His speech also, Sir, brought back to reality and practical good common sense the case as earlier outlined by the Honourable Leader of the Senate. Sir, after listening to Senator Mascoll, it made me realize in truth and in fact that the many minutes spent in this Chamber this morning paying tribute to one of our erstwhile colleagues might have been in vain. That is because in a sense I thought that I was listening, except for lack of physical resemblance and intonation of speech, to a reincarnation of someone else because of their ability to indulge in sophistry. So in truth and in fact that dear one might have not been departed after all.

Senator Mascoll, Sir, spent a considerable deal of time indulging in a great song and dance, trying to minimize what in effect is a very important measure. I understand why, having been an architect, an adviser guru, a master planner, a 5-4-3 technician, and anything else as part of that regime, he would try to counteract and try to trivialize virtually anything which would show his party's performance or lack of performance for truly what it was.

But then one has to understand that when we reach the point of all the pseudo economic rhetoric and all the jargon and all of the dancing into fanciful areas of economics, that what it really means, Sir, is that we have taken a step to fulfil yet another promise that we had made to the people of Barbados a long time ago. It is not an overnight activity for us. It is not something that we had spoken about on the eve of elections or during

the elections just to catch people's fancy and thereby hope to catch their votes. It was something that goes back to the elections of 1991 when we were warning the people that we were on the way to economic danger and destruction and they were persuaded otherwise and the country has seen the effects of that.

So one has to see apart from the economic implications of this Bill and apart from what it means in terms of the management, one has to see it for the symbolic importance it represents to the country. We are telling the country and the world at large that we are once more back on track to maintain the record of economic management and economic responsibility that had for a long time characterized the Barbados Labour Party's performance in Government.

Sir, we are acting to take another remedial step in ranking and in retrieving this country from the hands of the economic wild men who occupied office before us. I must use that phrase, Sir, economic "wild men" because some of the behaviour could only be that.

Mr. PRESIDENT: I am not sure that the words "economic wild men" should stand. I would prefer that you rephrase that.

SENATOR THE HON. G. S. H. MURRAY: Okay, persons indulging in wild acts of economic recklessness. Because it reminded me of West Indian batsmen who sometimes, when they are in trouble, instead of putting their heads down and batting, they try to swipe wildly and blindly like the proverbial Blind Elder to get themselves out of trouble. I hope that does not happen tomorrow in the Test Match that is to begin because it would grieve us greatly.

But I am saying that the kind of behaviour that we are trying to correct reminded me of that. One cannot seek to swipe oneself out of trouble. It calls for sane thinking and level headedness and that is exactly what we are trying to do. It must have been cold comfort, Sir, and it was no comfort at all to me, to hear Senator Mascoll say that we did it too in 1981. We admitted that we had broken the limit in the period 1981 to 1984. But my colleague also put it in its true context to show there were blimps, like on a radar, and it is not smooth sailing all of the time. It was not a deliberate act of defiance to the rest of the country where you set a tone of behaviour which, as a result, people take it as the norm and are prepared in their private lives and their private business activities to follow the standard as they perceive has been set by Government.

That was not it at all. There were aberrations in the way we performed, but having admitted that we did it we are now seeking to make sure that we do not do it again. We did not seek to say that we are going pass the law to reinforce it at 17.5 per cent. We took it back to 10 per cent and this is an act of commitment. It is a part of the demonstration that we intend to keep our word by maintaining that 10 per cent as the limit. One should not be surprised because we are known for our word to be taken very seriously in this country. We are known not to be ashamed of saying that this is a social contract. We have not repudiated our manifesto in saying that it means nothing and that it is just a bunch of sheets of paper with some words written on them. That is what that meant when you said there was no social contract. It meant that it was a waste of time and that you wasted lots of thousands of dollars in printing documents which had no moral or ethical value.

Sir, we are not like that. We are on the road to recovery and I believe Senator Mascoll was compelled to adopt the approach which he did, because for a while I was wondering what was his point. But eventually he admitted it was an ego trip where he had to prove something. After this sitting, I feel that he should change his initials from "C.A. Mascoll" to "C.I. Mascoll" because of "I said this", "I said that", and "I mean this" and "I mean that". So from now on I think that I will go with "C.I. Mascoll" instead of "C.A. Mascoll".

Aside.

SENATOR THE HON. G. S. H. MURRAY: But, Sir, seriously it is no mean feat. The Prime Minister and Minister of Finance has undertaken a task where he has tried to re-instill both in his political colleagues and the civil servants, the fact that we have to have financial responsibility. Any civil servant who would have sat around the table with the Prime Minister particularly with the preparation of the 1995-96 Estimates and even in subsequent meetings, always had to justify every cent. We always had to show not only what we are going to spend and what you are going to spend it on but where it has to come from. That is why for example we are stuck with that monstrosity on Martindales Road attached to the Queen Elizabeth Hospital called the Eye Care Centre where people have built their building, equipped it but never gave a single thought as how they are going to finance it and operate it. That is not for us. We have never done that.

My colleague referred to the St. Joseph Hospital and the Sherbourne Centre and the unfinished polyclinic at St. John and the unfinished school in St. Thomas and the unfinished housing development in St. Thomas, and the unfinished Queen College site. I mean unfinished, unfinished, unfinished. When I hear these examples being read off, I wonder if sometimes, instead of Barbados we call it "Unfinished-Dos" or something so. Because that was the whole manner of operation of the previous Government and it is something which we have said that will never be the same again for that.

We want, Sir, and this is a step along the way, apart from maintaining and fulfilling a solemn pledge to the people of Barbados, to return Barbados to those days when it was regarded as an oasis of calm in an ocean of turbulence. Remember that famous description? I think it was given to us by Sonny Ramphal or somebody like that in the 1980's where he talked about the "Barbados model". We want other Barbados models and examples, but not examples of recklessness and wildness and economic recklessness.We want Barbados to be an example of responsible, sane, level headed, well-thought out programmes and management in every sphere, most of all the economy, because if the economy is bad, nothing else is possible. If we do not have a properly run economy, where will we get the money from to provide the social services, the education, the health, *et cetera?*
3.10 p.m.

The management of a good economy should not be minimised and therefore we can only join in congratulating the Government and the Minister of Finance in taking another practical step to demonstrate that he is a man to his word and that once more Barbadians can hold their heads high because they have been brought back to a prior level of economic management, for which we have long been famous, that businessmen now can once again have pride, faith, hope and dreams in their country.

We have taken businessmen now even beyond the level of being businessmen, where vendors now are going to be provided with services in financial management *et cetera.* They are no longer going to be selling on the street corner, we will provide facilities for them. We are giving them the kind of image where you do not have to be big on Broad Street to be a businessman, but you can be small on Palmetto Square with the right facilities, in the right environment and you can hold your head high and make your contribution to the economy, employ people, pay your taxes and be as proud a citizen as any other Barbadian business person.

Mr. President, Sir, I take great pride in being part of such a team.

Thank you.

SENATOR THE HON. P. C. GODDARD: Mr. President, I rise to speak on this Bill, not from the technical aspect, because that has been well covered by my colleagues, but I speak from the moral point of view.

I remember at the time when this manoeuvre was made by increasing the limit to the overdraft at the Central Bank there was a great outcry in the public Press and on the airwaves. The average man in the street condemned the act of legalising an illegal act after the fact. This was the culmination of a series of acts which was the result of the most imprudent management of the country's resources. At a time when revenue was declining, expenses from Government were rising. The most basic principles of economic management went by the board. Every household in this country understood that you could not manage your finances that way but yet the Government of the day seemed not to understand that fact and they put their own political future ahead of the future of this country.

I am pleased to see that today the Prime Minister has moved to put in place the promise that the Barbados Labour Party made the people of this country in 1991 and again in 1994 to redress this travesty and to bring economic commonsense back to the management of this country. It has restored the confidence of business not only locally but abroad. People have to understand the value of confidence in the world of investment, and investment means jobs. If you make the linkage bringing the overdraft back to 10% and promising to stay under that, or trying to stay out of debt, has a direct linkage to the creation of the 30 000 jobs. There is a direct linkage between prudent economic management and the attraction of investment, which investment in turn creates jobs, so if people want to understand how we are creating jobs in this country, you have to make these linkages.

It is extremely important that Government set the example. Government, because it has the power to change legislation, should not do so in its own interest and against the interest of the country. Just because you have the power to do something does not mean that you do not have the responsibility to lead from a high moral position. The more power you have, the more responsibility you have. There is a direct correlation and the Government of the past acted with all its power in its most irresponsible way. This lesson should not be forgotten. People ultimately held the Government accountable and that is why they are in Opposition. That is the final arbiter, and to argue to try to justify what happened in changing the overdraft limit to 17½% from 10% is trying to justify the indefensible. This is the lesson that we all should learn, it is something that we should all take heed of and not lose sight of. This is the importance of coming back to 10%. This is sending the message that we intend to live by the law, that we intend to do the right thing, and that is the message that the investors have heard and that is why investment will flow and jobs will be created.

I cannot over stress the importance of this piece of legislation to bring us back within prudent limits of economic management, Mr. President, and I support this Bill.

Thank you.

SENATOR THE HON. R. R. FARLEY: Mr. President, I beg to move that this Bill be now read a second time.

The question was put to the Senate and agreed to.

On the motion of SENATOR THE HON. R .R. FARLEY, the Senate went into Committee on the Bill, His Honour SENATOR C. L. BOLDEN in the Chair.

Clauses 1 to 3 inclusive were called and passed.

On the motion of SENATOR THE HON. R. R. FARLEY, Mr. CHAIRMAN reported the passing of one Bill in Committee and Mr. PRESIDENT resumed the Chair and reported accordingly.
3.20 p.m.

On separate motions of SENATOR THE HON. R. R. FARLEY the Bill was read a third time and passed.

ORDER NO. 3 – THE FINAL APPROPRIATION BILL, 1994–95

SENATOR THE HON. R. R. FARLEY: Mr. President, I beg to move the Second Reading of the Final Appropriation Bill, 1995.

This Bill is a requirement under Section 109(5) of the Constitution of Barbados in which all of the supplementary expenditure that has been incurred during the course of the financial year must be included in the Bill to be cited as the Final Appropriation Bill relating to that financial year. So this Bill relates to the financial year 1994-95 and the figure cited, $62 645 942, would be the sum of the supplementary resolutions that would have been passed by the Other Place during the course of the 1994-95 financial year.

The Schedule to the Bill outlines the services and purposes for which the expenditure has been incurred and I would draw the attention of the Senate to that section.

The other interesting feature about this particular Bill is that the Bill really represents supplementary expenditure incurred by 2 different administrations during the course of the financial year.

Supplementary expenditure, as you would agree, is meant to be for purposes which were unforeseen at the time of the preparation of the Estimates of Expenditure for the financial year in question, and when we assumed office we were alarmed at the level of commitment of the Government to a number of items of expenditure and what we had to do was to introduce a number of these supplementary resolutions to cover things ranging from an expenditure listed for the Ministry of Foreign Affairs which was a matter relating to the need to make a payment to contractors who were due to do some work on the premises of the Permanent Mission of the United Nations at New York, the Barbados Consulate at New York and the offices of the BIDC and the Tourism Authority where that work was delayed and delayed to the point where Barbados was about to be kicked out onto the streets. That was the nature of one of those supplementaries.

A major item under the Ministry of Education and Culture of $22 million largely went to the University of the West Indies to cover some arrears. Some $18 million of that amount went towards the payment of arrears of the university fees and Sherbourne continues to attract some attention even in this Final Appropriation Bill with some $3.7 million of that $22 million going to the Sherbourne Centre.

You will know as well that the Ministry of Health represented another major item in which supplementary expenditure was incurred and part of that figure to the Sanitation Service Authority, $2.9 million, for example, represented the very urgent and pressing nature of major public importance, that was the cleaning of the monster which was once known as Mt. Stinkeroo and which is now, as I understand it, being renamed as Mt. Pleasant. I understand now that they play games there. It is so pleasant.

The expenditure we rationalised related to matters of urgent and pressing importance. Another example of expenditure incurred was under the Ministry of Labour at $15.0 million. Before I draw attention to a particular example you would wish to note the Heads defined in the Schedule relates to the Heads as defined at the beginning of the financial year so that you know there is no longer a Ministry of Labour, Public Works, Community Development and Sports, but it is so styled for the purposes of the Estimates of the Appropriation Bill for 1994-95.

One area I would like to identify in that Head would be the $6.4 million for the Transport Board subsidy I believe it is listed as. That is not really a Transport Board subsidy as it is listed there. It really relates to welfare payments for those categories of persons who are entitled to travel freely on the Transport Board, the old age pensioners, for example.

There have been the unfortunate occurrence of a non-payment by that particular Ministry to the Transport Board which was in fact then impacting on the ability of the Transport Board to provide the level of service required. The Transport Board would have incurred actual cash expenditure in placing its rolling stock on the road, paying staff, providing transport to these pensioners with the understanding that travelling is not really free with respect to the Transport Board. It is free with respect

to the pensioner. This is all part of the Government's welfare programme which is supposed to pay the cost of those pensioners travelling on the buses.

Similarly with school children who travel at reduced rates by virtue of having purchased special bus tickets, the Ministry of Education pays the difference in the fare to the Transport Board and any late payments from these sources negatively impacts on the ability of the Board to deliver services even to the general paying public so that $6.4 million represented payment that was required to be made in respect of the Transport Board.

There are many other areas of expenditure which we could advert to, but the general point I would want to make, is that these supplemental expenditures were necessary to avoid the old thing of Government grinding to a halt.
3.30 p.m.

We would hope, however, to so order the affairs during this financial year that the size of the Final Appropriation Bill which would incorporate all the supplemental Resolutions passed during the course of the year would not, on the one hand approach this magnitude and, on the other, would not include some items of expenditure which could have been taken care of other than by way of supplemental expenditure. We have no difficulty, Sir, with coming with supplemental Resolutions for those matters which are by their very nature unforeseen, unexpected or uncosted at the time of the preparation of the Estimates. But, certainly, simple delays in payment from a previous financial year should not necessarily engage our attention in terms of supplemental resolutions.

With those few introductory remarks, Mr. President, I beg to move that this Final Appropriation Bill be now read a second time.

SENATOR Mrs. P. E. RICKINSON: Mr. President, I rise to make contribution to this Final Appropriation Bill. I would like to say that we have heard quite a bit about prudent management this afternoon and I sincerely hope that this prudent management will be implemented because this Final Appropriation Bill does not really reflect prudent management.

I think we should be able to do a much better job and we should be able to plan so that at the end of the year one does not have to bring a Bill of $62.5 million. Those cannot be for all unforeseen purposes. There will be some, but $62.5 million is far too much.

I would like to see this prudent management fully demonstrated. I am going to give you an example, using health, which you know is my field. For example, I do not consider it prudent management to have a Health Fest and a Health Exhibition the same day as the Crop-Over Cart Parade and not at the same place. That is not prudent management. It is not efficient allocation of resources.

If we want to sensitise the public, I think the Ministry of Agriculture, the Ministry of Education and the Ministry of Health could all get together, if they want to sensitise people during Crop-Over time, although as an educator myself, I do not think Crop-Over, Christmas or Whitsuntide is any time to pick to start educating the public when people come to enjoy themselves.

I do not think that is prudent management and I will like the Ministries concerned to think very seriously about not holding an exhibition in the middle of Crop-Over and not the same place as the Cart Parade because the majority of the people were at the National Stadium and in the Ministry of Health you had to take nurses and siphon them off. They are already short of nurses on the wards. Those nurses had to be pulled out of the health care system to work at the booths when the majority of the people were up at the Stadium.

Another contribution I would like to make to this Honourable Chamber is in connection with the Sanitation Service Authority. Mr. President, for some time I was Deputy Chairman of the Sanitation Services Authority. At that time the resources were not available in order to carry out the Solid Waste Management Programme. As you can see, over $2 million had to be allocated in order to attempt to bring some measure of health to the disposal of solid waste in this country. Had that money been available, I can assure you there would not have been a Mount Stinkeroo.

Mr. President, I cannot allow this to pass without giving support to the work and the management team of the Sanitation Service Authority with which I have been associated for many years. Also there was no money to educate the public. There are booklets there. There are some that I have made, no money to reprint them.

I would also like to say that it seems to be extremely difficult for the various departments of Government to link up with the Government Information Service and mount serious educational programmes. I do not know what is hampering it. It has been done before and it can be done. I am saying this because at one time I had my own television programme from the Ministry of Health. I did not use to appear on the TV but I used to work in the background organising the interviews. It can be done.

At that time I was in the post of Health Education Officer and this is one of the reasons you need to fill that post. A Health Education Officer would have advised that you do not hold a Health Fest in the middle of Crop-over unless you are going to have the Health Fest about the different types of health foods you want the people

to eat and drink. You link it to something that they are doing, not to any serious talk about AIDS, or high blood pressure when the people want to go and have fun. They are not going to listen to you. That is not the time. They are doing the right things the wrong time. I would really like them to sit down seriously and think about what is happening because what is going to happen is, you are not going to get the returns for your money and money is scarce.

What concerns me deeply is that here in Barbados, Mr. President, we have the resources to do the work. We have a lot of people that we have educated. People have spent a lot of money on them. We can call upon them. What concerns me is we are not using these people. These people are being ignored and it is time we start to mobilise our resources so that we do not come up with over $62 million in supplementary estimates.
3.40 p.m.

Mr. President, I should like to say a word also about the Ministry of Health. You are training medical students and I cannot see, if we are talking about prudent management, we have a health care system, we have polyclinics where the interns could be assigned and rotated. We are talking about primary health care all the time. But we are not putting our money where our mouth is.

Mr. President, I should like to see them sit down and look at the whole Ministry of Health. Thirteen point one million dollars in Supplementary Estimates. This is not good enough. It is right here. Head 36. We need to sit down with the University or whoever is concerned because today, we do not see health in terms of hospital care alone, we see it in terms of home care, clinic care, community care and there is no reason why these interns cannot spend one year in the hospital and then the 18 months outside – after they have learnt – within the community assigned to the various polyclinics.

I should also like to say a word about that eye care centre. We are getting a lot of complaints that the waiting list is anything from 6 months to 1 year for some people. That is not good enough. We really need to sit down and think carefully what we are going to do about it because we all do not have the funds.

Another one is the $22.7 million for the Ministry of Education and Culture. A large portion was for the University of the West Indies' fees. The time has come when some serious decisions have to be made about that University of the West Indies. We have to find some way to making fellowships available for those who cannot pay. But there are a lot of them who can pay and who should be made to pay. I had suggested, in this Chamber before, that maybe we can look at the areas needed for national development so that we can use them to provide fellowships for persons who wish to attend the University.

Mr. President, the Drug Service. The pharmaceutical programme $5.1 million. It is going to be more next year, if we are not careful. I will tell you why. We have been hearing statements that we are going to treat those pregnant women who have AIDS. That is going to take a big chunk out of our finances. I am not saying that they are not entitled to treatment but I should like to see that money put into the preventative work. I think, in Barbados, we tend to wait until people get sick and then try to cure them. You wait until they get pregnant and have AIDS then to treat them. We need to put some of this money into prevention and education so that if they get AIDS they know how they got it and they know everything about it. The same thing with drug abuse. We need to take the money and put the money into prevention rather than spending the money on the treatment.

Mr. President, I would just say that I agree that the elderly people who contributed to the development of the country should be able to travel freely and we should make some form of provision to pay for their services. But what I cannot understand is that that Transport Board was dismantled and now we are hearing that it is going to be built up again. I think we really need to understand, are we going to provide them with public transport or are we not going to provide it? You cannot be going up and down. We spent a lot of money and we laid off a lot of supervisors, a lot of people, we had to pay them severance pay and now the buses are going to be increased by – I cannot remember how much. This is not really prudent management. We really need to sit down and decide where we want to go from here and implement the management as much as we can.

Thank you, Mr. President.

Mr. PRESIDENT: Senator Barker.

SENATOR T. E. BARKER: Mr. President, this Bill represents additional expenditure which was incurred in the last financial year, over and above what was budgeted in March of 1994. It is over 62^{1}/_{2}$ million.

I want to say, first of all, that this is not really the Barbados Labour Party's bill, so to speak. This is a carry over from the last Administration. It represents fiscal mismanagement at its worst because what happened is that, at the time of the Estimates, we had a lot of false Estimates. The result is that especially a lot of the statutory corporations, the Transport Board and so on were given less than they should have been given, in the first place, and they spent as though they had more money. So that what happened is that they did not pay things like National Insurance and income tax. When we came in we

found that a lot of these corporations owed a lot of money to these agencies. We took a decision to bring everything up-to-date. The decision was made that all of the arrears that were incurred by these corporations would be set aside and from April, 1995 we would have a clean slate, so to speak.

I agree that it is not prudent management, but not by us. It just shows what passed for budgeting in the last Administration when a good friend of ours was the adviser to the Government. There was $18 million in arrears for the University alone that the last Government was advised not to pay the bill by their adviser. The result was that the University owed a lot of people including Government. The reason why it is so large a mistake is because of prudent management. We decided to bring everything to book and start 1995 with a clean slate. I see it as prudent management, in its best form. You are not carrying forward anything. You settle all of the arrears so that when money is spent in 1995-96, it is money that relates to 1995-96. Because some of this money should have been spent 2, 3 years ago. Some of them have arrears for 5, 6 years that is money that was owed to organizations. When money was spent in 1994-95 it is not really related to 1994-95 expenses but 1992 and 1990 when the last Government refused to pay the bills.

This Government must be congratulated for bringing things to book. We found a large mess created by a Government which had lost its way, in spite of its advisers. They had lost their way so it is a simple matter.
3.50 p.m.

Now, Sir, if in the next year a Bill of this magnitude comes we will have to take the blame. That will not happen, Sir, because we know what budgeting is all about. Sir, the point must be made that the Civil Servants and those who have studied budgeting must abide by the decisions made at Estimates time. If you only have $5 million to spend, spend five million. Do not plan for $6 million. Do not go about it as though you have extra money coming in. The message was given very clearly by the Minister of Finance who threatened to use all the powers given to him under the Financial Administration and Audit Act to make sure that prudent management obtains all across the public service.

So, Sir, Government must be commended on its approach to management and I hope, Sir, that it will be the last time we will see a Bill of this magnitude in the final Appropriation Bill.

I must also say that budgeting is not a once a year exercise. In other words, Sir, in the past especially under the last administration and their advisers we had an Estimates exercise in March and it was put down until next year March. But, Sir, we in this Government believe that all through the year we should be looking at the figures and seeing if there is any need for adjusting. So the Prime Minister and Minister of Finance has promised that there is going to be a mid-year review where we see budgeting now, not as a one-shot exercise, but as continually looking at and monitoring the situation so that if something is happening we can stamp it out right away. We can tell a Ministry, look we cannot tell you how to spend the money but judging from what we are seeing you are spending too fast and the way you are going you will end off spending 12 and there is no 12, there is only 10. That is how we are going to approach the management of this country.

I agree with the last Senator that this is not prudent management. It just shows the mess that we have inherited but we are not going to complain because we knew before hand it was a mess but next year, judge us by our record. Do not judge us by the fruits of the DLP, judge us by the fruits of the BLP. Sir, with those few words I will give my support to the Final Appropriation Bill.

SENATOR C. A. MASCOLL: Mr. President, I do not intend to be long. I just want to clarify this issue. This is really a small issue that we are debating. What I will do, Sir, is really to show that in the area of the University it was really just a book entry. In the area of transport it is indeed a privilege to recognise that the supplementary to the Transport Board was a mere $6 million again as the result of what I would refer to as good efficient management by the last administration. Those of us who know the history of the Transport Board would know that over the years, back in the early eighties, that the Transport Board received subsidies in the order of $20 million to $22 million and to have come from those days to a point in fact where we have now only a subsidy of $6 million I think that represents in itself ...

SENATOR THE HON. R. R. FARLEY: On a point of order, Mr. President, the Honourable Senator is misleading the Senate. This $6 million is a supplemental which means in simple English that it is in addition to the money that was given to the Transport Board. It is misleading to suggest that the subsidy to the Board has fallen from in the twenties in terms of millions of dollars down to $6 million. The six is not a total figure.

SENATOR C. A. MASCOLL: It has fallen dramatically. That cannot be denied. There are some figures I do not have. In any case $6.4 million was really to pay Inland Revenue Department and the National Insurance Department and just let me explain that in terms of Government to Government transactions this kind of thing would not translate into any burden on the part of the Government coffers. It is really something that has happened over the years which should not be encouraged in that you should be encouraging such organisations to pay up their funds to the NIS and that kind of thing

but it is not that it is going to throw the entire fiscal position into a tail spin.

Indeed if you may permit me, I can demonstrate that as at page 72 of the Financial Statement and Budgetary Proposals, presented by the Prime Minister, April 25, 1995, the Prime Minister said: "Mr. Speaker, I must repeat that in spite of the fact that we settled those debts and did all the other things to which I alluded earlier, we are still able to keep the deficit to 0.5% of GDP."

So when we get into this Honourable Chamber and make this Appropriation Bill seem as though it is going to cause or has caused an entire tailspin in the economy and the evidence is there. I am quoting from this one. You may not see it but you can search for it. You have a more concise ... The thing is just to let you know that the whole post-1991 period was about trying to make sure that there is more efficiency across the statutory boards and I think there has been a lot of success in that area. So again, let us not, in an attempt to beat the breast, believe that this is an issue that has to be fully politicised.

In the area of the Welfare Department the $4.6 million is not a runaway expenditure which was designed to give anybody any votes or any such thing. It was an issue in which the Transport Board was not paid for some while by the Welfare Department for the old age pensioners and the like. Again it is the sort of thing you can also do because you have lapsed as a statutory board because you treat as how the other people tend to treat. We see this area as absolute criticism of the Transport Board and the Welfare Department but what is most amazing is that in terms of treatment of small hotels in Barbados or in fact the Hotel sector, we are now in a position where we are considering doing all kinds of things to relieve debt for water and land and other things. This is merely a Board which has not committed itself to a final payment. I must add that the reason why these kinds of things happened during that period of time is because it is really an inter-governmental issue and it was always considered across departments with Government, Central Government versus those slightly on the periphery.
4.00 p.m.

So it was always considered in estimating the deficit. There is no way that you would not have accounted for this. There was in fact a set of tables, Senator Barker if you check, which showed the position of the Central Government in terms of deficit and then showed the position of the entire Government which included the National Housing Corporation, Welfare Department, Transport Board and a whole range of other statutory corporations or boards as such. Although it seems miraculous that this $62 million is going to completely throw the fiscal position out, it has been accounted for. It is good to see that it is being settled. But it would have been settled in any case.

In the area of the arrears of the University, again it is just a question of delay here. But as we all know the University is being investigated for even more fundamental issues. In fact, there is the view that there is the intention to cut the subvention to the University and that the Commission which has been established is merely to demonstrate or to give justice to the intention. So that we are more or less hiding the issue of the payment of fees by not revealing that there may be an intent to reduce the subvention at the University of the West Indies. So what we have done is to establish a Commission now in order to hide that issue.

In the area of the Tourism Authority, it is a question of paying some debts which were outstanding at the Barbados Tourism Authority. The important thing about this is that I am actually using the Financial Statement and Budgetary Proposals by the Prime Minister to show that these issues have really been accounted for as far as the 1994/95 period has been concerned.

It is not at all an excuse that I am seeking here. What you may not recognize is that even in terms of managing an IMF Programme it may be in the interest of the Government to some extent to try not to allow those ex-patriots to know totally what may be occurring in some quarters. Therefore, without trying at all to reveal any secrets, those of us who will get an opportunity to be in those kinds of positions would recognize that in the interest of the country sometimes you have to ensure that those guys do not know everything that they should know. I say this to those who sometimes would have to deal with such characters who descend on our shores seeking to put all kinds of strictures in place.

Sir, let me just shorten here by saying that this issue again, Senator Barker, is not one that we should be seeking merely to politicize. It has been fully dealt with and fully ventilated in the Budgetary Proposals and is now coming really in its legal form to the Senate of Barbados. It is not really an issue for us to cry over. Thank you.

Mr. PRESIDENT: Senator Murray.

SENATOR THE HON. G. S. H. MURRAY: Mr. President, again we were subjected to another exercise in futility by the last speaker.

This is the second time in the day, Sir, in which he spent a considerable amount of time in trying to explain the deeds and mis-deeds, malfeasance and mal-administration or whatever you want to call it, of the last administration. What he needs to do on these occasions is to condemn the Government for what he thinks they had done

wrong and leave it at that. But then to proceed to cloak in all kinds of semblance of rhetoric and specious reasoning really does him an injustice which, on the 300th Anniversary of Combermere and as a fellow Combermerian, saddens my heart. I am hoping that for the rest of the sitting he will not cause me to grieve for our alma mater, Sir, by behaving in such behaviour.

Sir, I will not be very long but I just want to say that to crown it all and the best demonstration of the type of irresponsible management of financial and administrative that we have encountered, Senators would have received a packet of fairly high gloss printed documents, of reports of the Barbados Water Authority not for 1994, but for 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993 and 1994. How can they account for what transpired at the Barbados Water Authority for the past 8 years? Do you call that management? Do you call that responsibility? Explain that to me, Sir. Thank you.

SENATOR THE HON. P. C. GODDARD: Mr. President, I rise to respond to some of the issues raised here in this supplementary debate. I come back to the issue of prudent management which Senator Rickinson was looking for and I am glad that she touched on the area of the Sanitation Services. Because I will use that to show or to demonstrate where by under-providing funds we then have to spend $3.00 for every dollar that should have been spent to put right what went wrong. I recall that over the past few years the maintenance budget of the Government had been cut up to 80 and 90 per cent. That is the sort of management that led to disaster. You cannot ignore the maintenance of buildings and equipment.

Mr. President, they cut the money for maintenance by 90 per cent and that has led to people having now to spend once again $3, $4 and $5 for every dollar that could have been spent in the past. This is weak management. This is an unguided missile going wrong.

This supplemental vote covers a whole host of things where there was a lack of accountability, where there was a whole tracking of the financial resources and mis-allocation of resources. Senator Rickinson's call for improved management will not go unheeded. The efforts of the present administration to regularize the situation is demonstrated by the delivery of these Annual Reports of the Water Authority and bringing ourselves up-to-date with a commitment that no longer will institutions in this country go from year...

SENATOR C. A. MASCOLL: On a point of order, Sir. I just want to state that these reports which have been referred to have not been done within the last 10 months by the current administration. If you will look at the 1993 Report, you will see that it is signed by Neville Boxill who has died for sometime.

4.10 p.m.

So what I am saying is that these reports would have been finished. So it is not an issue. To make it seem as though this Administration has now put together these reports...

SENATOR THE HON. P. C. GODDARD: By getting these reports up-to-date and presented in the correct format, there are many reports in other institutions which have not been done and we have found time after time that the reporting procedure has broken down. When people are not concerned about accountability that is the sort of thing that happens.

All I can say, Mr. President, is that this Government is committed to prudent management. It is committed to discharge its responsibility for accountability and we are serious about it and it will improve on that track record as time goes on.

Thank you very much, Mr. President.

SENATOR C. K. LAURIE: Mr. President, I am very pleased to hear these statements about accountability, because I brought the question of the debt of B.A.D.M.C to this Parliament some months ago and a supplementary will have to be passed to cover the more than $10 million debt that our organisation is in now. To think that we are not going to have supplementaries coming up due to this fantastic new management is pie in the sky. But the Prime Minister has to...

SENATOR THE HON. R. R. FARLEY: On a point of order, Mr. President, there has been no suggestion that there will be no supplementary in the future whatsoever. What was stated was that supplementaries would come for the purpose for which supplementaries have been originally intended, matters which were unforeseen at the point of the laying of the Estimates.

SENATOR C. K. LAURIE: My understanding from the Prime Minister is that there is going to be accountability in these statutory corporations and that when we pass an Estimate here for a statutory corporation they cannot go and just overrun and come back here and ask for a supplementary. That is the point that I think we have to be making. Somebody has to be accountable. These people who are on these boards should be severally reliable. If there is an overrun, let them pull their pockets and fix the overrun. Thank you.

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

On the separate motions of SENATOR THE HON. R. R. FARLEY, the Bill was read a third time and passed.

ORDER NO. 4 – RESOLUTION TO APPROVE BORROWING BY GOVERNMENT OF SUMS UP TO $40 MILLION FROM THE REGIONAL MARKETS

SENATOR THE HON. R. R. FARLEY: The approval of the Senate is being sought for a proposal to borrow sums up to US$40 million to finance the Government's capital programme 1995-96. This approval is being sought under the provisions of the External Loans Act, Chapter 94D.

Sir, this proposal before the Senate represents part of the 1995-96 fiscal programme. You will recall, Sir, that that programme was dedicated around the maintenance of a fiscal deficit of 1% of GDP. You will recall that the terms of some of the figures involved that the revenue was projected to be in the region of $1.1 billion and expenditure, including amortisation, was in the region of $1.19 billion.

The capital expenditure, Sir, we have estimated, would be $169.5 million and this would produce an overall deficit of $256.1 milion. Of course, when that is converted on the basis used by the financial institutions that would be reduced to some $32.6 million.

You will also recall that in terms of financing we noted that the gap to be financed for 1995-96 would be the $256.1 million. Now we have estimated the foreign component of that amount to be financed to be $162 million and this we had identified to be in 3 categories. We estimated that capital projects would be foreign financed to the tune of some $70.7 million, that the investment sector loan to IDB would make up some $10.4 million of that $162 million and that the capital market would be approached for some $80.9 million and this US$40 million placement would represent the capital market component of that $162 million that we had identified for foreign financing out of the total of $256.1 million.

We have identified City Bank Trinidad as the broker in this whole deal. We have done a number of arrangements with them and you would want to note that it is perhaps significant that we are able to approach regional markets for foreign exchange placement and we look forward to the day when the foreign exchange liquidity in Barbados will be such that we can make these deals locally and, in fact, that we have such a surplus that other countries in the region will be approaching Barbados' banks for making such transactions. But that, Sir, is somewhat of another story.
4.20 p.m.

As provided for under the External Loans Act, Sir, this money will be raised by means of floating with bonds as is required then. The basic details of the arrangement which we are hoping to enter into are that the loan will have a maturity of 10 years, there will be a six-year grace period and repayments will be on a semi-annual basis of equal instalments with the final instalment being paid at the 10-year maturity date. The spread will be some 350 to 385 basis points over the 10 U.S. Treasury note. Now that represents basically the details of the loan that the Minister proposes to enter into on behalf of the Government and for which the Senate's approval is being sought.

I must stress that this loan is not, as had been suggested earlier, a question of running to find some money. This has always been on the cards as part of the financing of the capital expenditure component of the Estimates and has been identified as such.

With those few short introductory comments, Sir, I would ask that this Resolution do now pass.

SENATOR C. A. MASCOLL: Mr. President, when we debated the Estimates, there was a lot of boast about Government being able to access the investment sector and from IDB. There was a lot of boast that the Government was quite confident that it could raise $70.7 million project funds which would constitute a fairly significant increase on the previous year. I recall making the comment that it was really too optimistic that the IDB was going to provide such funds to the Government of Barbados over the course of this fiscal year. In fact, when one checks the previous year, the amount of funds which we derived from the IDB was quite low and this would have constituted a considerable departure from that 1994/95 period. There was absolutely no mention, in fact, of this loan or the intention to approach the regional market for such a loan and this is a fairly significant loan of $80 million. I am saying I am sure that if Government was thinking of going to the capital market it would have first and foremost considered going into the U.S. or the U.K. market.

SENATOR THE HON. R. R. FARLEY: On a point of order, Sir. I would want to draw Senator Mascoll's attention to the fact that he is misleading the Senate to suggest that there is no mention made of this loan in the Estimates. Page 8 of the Approved 1995 Estimates under Foreign Financing Non-Project – says "Foreign Commercial – Approved Estimates 1995-96 – $80 900 000". So mention was indeed made of the loan and the amount.

SENATOR C. A. MASCOLL: Sir, all due respects to Senator Farley. I am well aware that some allocation was made to go for $80.9 million in capital market funds but I just said that I am convinced that the Government would first and foremost have decided to go on the US or some other international market. That is what I said. I never said that there was no provision made for $80.9 million in the Estimates. I am saying I find it strange that we approach the regional market as a first call.

The other thing is that the broker is supposed to be the Citibank. Could this Chamber be told whether or not the funds are going to be raised from the Citibank in Trinidad? I think that also constitutes an interesting question because even though the broker is supposed to be Citibank I wish to suggest that this loan will not be had from the Citibank in Trinidad, that this loan is going to be raised through an institution, or by way of an institution which has been lambasted by the present Government and that it is...

Aside.

SENATOR C. A. MASCOLL: The point has to be made because you have to be careful when you are criticising an institution like how you criticised CLICO institution throughout the election but now we are turning to an institution which, in fact, is controlled by the same organisation which you sought throughout the campaign to destroy. What I want you to do is to tell the people of Barbados and do not be hiding...

Mr. PRESIDENT: When you say "you" I presume you mean the Chair.

SENATOR C. A. MASCOLL: Not you, I mean the Government. What I want the Government to do is to tell the people of Barbados and do not hide under the name of Citibank as broker where the funds are coming from. It may seem as a minor point but I wish to make the connection between the desire on the part of the Government to get up and lambast institutions which are reputable in the region and now taking a stand to approach that same institution in order to raise funds of this kind.

SENATOR THE HON. R. R. FARLEY: On a point of order, Sir. In my presentation I have specifically stated that the establishment of this bond issue will be through Citibank. I am not aware of anyone in Barbados, Government or otherwise being critical of Citibank so therefore the suggestion that this administration has been critical of anybody and now we are running to these people for money is totally false. I would ask that those statements be withdrawn and be struck from the record.

SENATOR C. A. MASCOLL: Again, it could be a position of convenient ears. I said that it has been stated that the Government is using Citibank as its broker in this transaction but that the funds are not coming from Citibank. It is interesting to note that the institution from which the funds will be coming is an institution which is owned by an institution in Barbados which, in fact, was lambasted and criticised by the then Opposition during the campaign so you have to careful.

4.30 p.m.

What it represents really is an act of desperation, in more ways than one. It represents an act of desperation because there is no way, and you have not yet approached and demonstrated how you are going to get $10 million by way of the ISL. You have not been able to justify how you are going to raise project funds of the magnitude of $70.7 million during this fiscal year and I am convinced that you are not implementing your capital expenditure programme and you have not started. There is no evidence whatsoever, in Barbados, of any attempt on the part of Government to pursue a capital expenditure programme. There are no major attempts. What are you waiting for? If you are convinced that you are going to have access to $162 million in foreign funds, and I doubt you are convinced about it, you would have started these projects because you are concerned, as a Government, as you ought to be about the level of unemployment in Barbados. Do not make any idle boast about the first quarter performance, a light reduction which is, in fact, because of the continuation of the Democratic Labour Party's programme, in the unemployment figure. What you have to cope with is during this critical period of the third quarter when we will see an increase in the third quarter of the year.

Asides.

SENATOR C. A. MASCOLL: It has nothing to do with the financial year. When we will see an increase in the amount of people entering the labour market as a result of the 4 000 who will come out. To make an idle boast about the reduction or the point two of one percent reduction in the unemployment rate is really not a significant thing at this point in time because, so far, you have not committed any such programme even to the lower or upper Chamber. You have not demonstrated, in any way, how you intend to reduce the level of unemployment in Barbados. I am not satisfied, neither is the public of Barbados satisfied that you have any programme in order to do that.

As I said, in 1994, we saw the creation of 6 000 new jobs – and you can quote the Central Bank's Annual Report for 1994 – during that year. Add that, in the first quarter, this is really just a seasonal thing. But if you look at the unemployment reduction under the Democratic Labour Party last year, you will see that the attempt was systematic and, in fact, that it was gradual throughout the entire quarters of 1994. There is no reason at all for me to suspect that the Government is convinced about its own capital expenditure works programme because there has been no attempt, so far – and you are now into the second quarter of the fiscal year, the third quarter of the year – to put any such programmes in place. The reason is that the Government is uncertain about having access to this level of financing for foreign resources. It has to be because the IDB, as I stated in the Estimates, does not willy-nilly provide funds like these. The IDB....

You stated, during the Estimates Debate that you were going to acquire $10.4 million and that it would have been acquired, by the end of June. It is now July and we have not heard one word about whether or not the Government is going to be in a position to access the $10 million from the ISLO.

I am saying that you would not have used the regional market as your first choice in terms of assessing the capital markets and that there is an odour of suspicion surrounding this loan. There is an odour of suspicion because it suggests that you have either tried to assess the international capital markets and recognized that things are going to be tight, therefore you retreated and came back to the regional market. There is an odour of suspicion in all of this because it is not usual nor is it typical for Governments, in Barbados, to see the regional market, as first call. It is this Government that criticized the last Administration for approaching the London market to acquire the bullet loan.

Asides.

SENATOR C. A. MASCOLL: Even though the interest rate might have been pretty high, which it was, there was benefit and there has been benefit as a result of the depreciation of the pound. That has to be taken into account. It is easy to predict certain things.

What you should now do is recognize that there was a fair degree of prudence, in terms of going to the London market at the time when the pound was high. But there is going to be which there has already been some benefit, as I said, as a result of the depreciation of the £ sterling. Rather than pay back the $120 million, you would be paying back a substantially less figure as a result of the depreciating pound.

Aside.

SENATOR C. A. MASCOLL: But you benefitted from the depreciation in the exchange rate. On previous occasions in 1985 when the Barbados Labour Party went to the Yen bond market, the Yen actually appreciated in the following years and put additional pressure, on the then Government, to repay the loans from the Japanese market. In the same way you can talk now, there was a Yen bond before Richie Haynes went in 1986.

What I am saying to you is that you cannot only consider interest rates. In fact, if you are going to be managing the affairs prudently, then it is in your interest to look for currencies which you suspect are high, like how the Japanese Yen is now which you can then predict fairly safely may depreciate and therefore then attempt to be locked in to a loan in those kinds of currency markets. It is not just a question of the interest rate. You have to consider other things in respect of the whole question of borrowing. It cannot be merely the interest rate. We all know that Barbados was desperate at the time. It entered the market, got $120 million and therefore...

Aside.

SENATOR C. A. MASCOLL: It was desperate. I would repeat it. I have no shame in repeating that. We know the difficulties that Barbados encountered, as a people. Why try to deny it? Why try to be like you in terms of denying certain things now trying to suggest that you have done so prudently that you can now repay Government? It is nonsense. It does not make sense trying to shun the issues. What we have seen over the last couple of years is that, as a result of the harsh medicine, as a result of the decision made on the part of the Democratic Labour Party, we can now be safe and secure about the future, if only we manage it prudently. And you – the Government that is, Sir – must understand that this is no longer tied to merely criticising for the sake of criticizing. At every turn, there is this attempt simply to criticize on the issue or to justify a decision on the basis of what the Democratic Labour Party might have said before such as to hide. You have put in place a charter for change so there is no reason every time you come to the country to tell the country that I am making this decision only because the Democratic Labour Party previously agreed to this position. You are more in a position where you can change policy. There ought to be a change in policy in many areas, in many respects. But there has so far not been. Therefore, what you are actually saying is that you endorsed the measures taken by the Democratic Labour Party, over the last 3 years.

Aside.

SENATOR C. A. MASCOLL: In many areas. When the unions cried out that they should be compensated as a result of the incomes protocol or outside the incomes protocol, there may be justification because you should not be in a position where you are saying that you are committed to any incomes protocol. If you think that there is need for change, if you think that people's salaries should not have been tied to bonuses, productivity and the like, you should not be now justified in your policy on the basis of what the Democratic Labour Party did. In similar light, you cannot come here now and say that you have approached – you are not convincing me – the regional market as a first call, in terms of going to get capital in order to carry out your capital works programme. It cannot be the case. There has to be something underlying all of this.

I suspect that you were preparing a prospectus, at the end of last year, and that you might have entered the market if only temporarily or just to sense the

market and that the evidence that you got was not sufficiently strong to suggest that you are going to get your funds from that source and therefore, you retreated. There is desperation.

You have now been in power for 10 months. You have had a situation in which you were able to carry out or to manage the affairs to the end of the fiscal period 1994-95. I am saying that if you had a programme which you intended to carry out during the fiscal period 1995-96, all the individuals whom you brought to the Ministry to reinforce the Ministry's economic competence should have put in place a programme already. Since you were able to bring the Estimates, you should have known the programme prior to 1995-96 the start of the period.
4.40 p.m.

Since you were able to bring the Estimates you should have known the programme prior to 1995-96, the start of the period, and therefore you should not now be scrambling to see whether or not you can put this programme in place because you do not have a particular set of financing. This is what is happening and it cannot be denied. Is the government convinced that it can get the $162 million in foreign financing which it said it would get in the Estimates? The Government is not convinced of that.

Aside.

SENATOR C. A. MASCOLL: Of course I can speak for the Government.

Mr. President, it is clear. It should be clear to a blind man that we are not going to see any significant programmes being introduced in Barbados during this fiscal period. This Government should have been anxious in 1995/96 to implement programmes to demonstrate to the people of Barbados that they can feel some measure of confidence that something has changed and that we are now out of sand.

Asides.

SENATOR C. A. MASCOLL: But the issue, we have not at all demonstrated that. As simple as it may look, Sir, this also has implications for the very issue which we discussed this morning in these Chambers. If the Government is unable to access the $162 million which it has projected in the Estimates, the Government will have to rely even more so on the domestic market for financing.

It is not a false premiss. The evidence is already there, Mr. President, to demonstrate. The fact that we have not heard any boasting which we did last year when the Prime Minister was going to Belize that he has been able to, as a result of the change in the confidence that has been inspired now in Barbados he has been able to convince the IDB that there is no longer a need for an enhancement surveillance programme and that we can rest assured that the investment sector loan will come to Barbados. We heard that last year and we heard that it will come by June of 1995. There has been a delay of heroic proportions and I am suggesting that this move to go the regional market is evidence of that delay. This move demonstrates a certain degree of desperation on the part of the Barbados Labour Party.

Aside.

SENATOR C. A. MASCOLL: It does. Well let me make the point. If we are unable to access these funds which I have every reason to believe that they will not access, they will have to turn to the domestic market and that in fact the Central Bank limit which has been reduced from 17½% to 10% will be under threat. It will not make sense for the Government which has in fact said in its budgetary proposals that the confidence which has been inspired will see an increased level of investment from the private sector it will not then make sense for the Government to go into the domestic financial market among the commercial banks to compete to withdraw resources from the private sector in order to finance the deficits. This in fact explains why, even in the absence of information, I do suspect that the Government .....

Aside.

SENATOR C. A. MASCOLL: I do not know, no one leaks information any longer in Barbados. I do not have a clue as to whether or not the Government's fiscal position is not even in a much better position than we all anticipate. But I have been informed that this Government is also pursuing a cash flow management approach. I have been informed that that is so and any prudent Government, recognising that the foreign financing is not coming is going to manage its affairs even more tightly than if the financing was available. So in a very strange twist we have a Barbados Labour Party administration that is running an even tighter ship on the fiscal side having criticized the last administration for pursuing too low a fiscal deficit of GDP.

We have a strange twist that this Government is now even reigning the finances further because of the absence of foreign financing. It is understandable but what you should do is admit to the public.

In a couple of months from now I should be in a position to demonstrate whether or not my position is in fact correct, or whether my hypothesis is correct. All the evidence is there to believe that it is not so. In any case, why are we boasting of a situation in which the Government, having said earlier what it said about the foreign reserves, is so eager to jump to the capital market? Why is there the eagerness to do it? In fact I

also heard this is an attempt to borrow from the sources where the rates are cheaper in order to repay even on a quicker rate, the London loan. But what I am saying now is that you have to go to get another loan in which case you are saying you are going to exceed the capital market projection here because you are up to $80 million already. The net effect is that you still would have gone beyond the $80.9 million.

Aside.

SENATOR C. A. MASCOLL: That has nothing to do with it. The fact that you have gone to the financial market for in excess of $80 million would be an indicator. There has to be something wrong. Why is there this eagerness, especially when you recognise that the pound has now gone in your favour as a Government? When you recognise that notwithstanding the high interest rate which was charged on the London loan, that the pound has now gone in your favour to the extent that you are going to benefit to the order of almost $25 million. It is substantial. I do not know. You give me the facts. It may very well be the case that the exchange rate depreciation may be more significant to you than if you had had a loan at three percentage points below the 13% which we went to the market and got in 1992 or 1991.

It is not a mere question of jumping to any regional market. I will not be convinced, neither will the people of Barbados be convinced, that the regional market will be seen as a first call in terms of where you will access foreign financing from. I repeat, it is an act of desperation on the part of the Government. It is full recognition that the IDB will not be forthcoming in the kinds of funds that you had estimated in the Estimates and therefore you have to seek an alternative source of financing.

What is good for you is that the Trinidadian market which is in fact, notwithstanding the political elements, now an extremely useful market for us to look at because the Trinidad Government is doing everything to facilitate business in that country. They have been bold, as the Democratic Labour Party was, in taking initiatives to encourage foreign investment. They have been bold in terms of even addressing the foreign exchange controls position. They have been bold in many other areas and what we are seeing in terms of the growth in the Trinidad Capital Market is something which I think we should all look at throughout the region because Trinidad is setting an example. Let us not be fooled. There must be something going on right in Trinidad that would allow a Trinidad Merchant Bank to be able to lend the Barbados Government of the order of US$40 million which when translated into Trinidad dollars is a "mob-a-ton" of money. So something is happening right in Trinidad. If you would only play the game right. Do not be afraid to admit that difficulty is upon you and that your original projections on the fiscal side will not be achieved in this fiscal year.
4.50 p.m.

Do not be afraid. The other thing is that even though you might have made some provision for the expenditure as regards to wage increases, the evidence is there to show that you have to do some other things and I heard talk about morality. Well, if you are going to talk about morality on the one hand in relation to a 17.5 per cent estimate of revenue for the Ways and Means limit, you have to talk about morality in relation to promises of restoring a 5-day work week at NCC. That is the height of morality because that bears on the people who have been under pressure. You promised that you will restore it to the 5-day week. You told the people that as soon as you get back the power you would restore the 5-day work week.

Mr. PRESIDENT: Senator Mascoll, you are now straying from the Resolution.

SENATOR C. A. MASCOLL: Sorry, Sir. But the Resolution is still clear because the matter to which I speak in terms of restoring from a 3-day to a 5-day work week will have implications for the expenditure side. If indeed you do it as a moral act, that is the Government, Sir – when I say "you" I do not address you personally, Sir. It is going to have financial implications and the financial implications will mean additional expenditure which will mean additional financing and if we cannot get foreign financing you have to go to the domestic side. If you go to the domestic side, you are going to undermine the very private sector and what you are saying now has derived all kinds of confidence as a result of your measures.

Aside.

SENATOR C. A. MASCOLL: This is not as innocent as it looks. It has a six-year grace period.

Aside.

Mr. PRESIDENT: We are having too much cross talk in this debate.

SENATOR C. A. MASCOLL: The pressure is all on you.

Mr. PRESIDENT: To whom are you addressing?

SENATOR C. A. MASCOLL: Sir, when I use "you", I am not addressing you, Sir.

Mr. PRESIDENT: The only person you should be addressing is the Chair. If you are speaking to somebody, you should address them by their name.

SENATOR THE HON. R. R. FARLEY: Sir, I feel constrained to say that Senator Mascoll's comments should be struck from the record. I take it for a long aside and an aside is not recorded.

Mr. PRESIDENT: I have ruled that you must address the Chair.

SENATOR C. A. MASCOLL: I am well aware of that, Sir. The issue is very clear and I repeat the issue as I see it. I will sum up by saying that there is no evidence whatsoever that the Capital Works Programme of Government is going to be pursued in the kind of magnitude that it was stated at the beginning of 1995/96 financial year. I can then suggest the reason why that is so is because Government has not been able to source the sort of financing that it would like to source to pursue these projects. I can then suggest that having reduced quite rightly so the availability of financing from the Central Bank and that just did not start now. That started every since under the Democratic Labour Party. Having reduced the availability from the Central Bank, the Government will have to seek to find its financing from the foreign sources. This explains in fact in large measure why of the $256 million required for financing during this fiscal year we have gone for estimation for as much as $162 million from foreign sources because it is all in the works. It is practical. It is all expected that you put less pressure on your domestic market in order to give further access to the private sector. So this is understandable.

But what I am saying then is that your whole programme is based on your ability to access foreign markets. And I am further saying that as a first choice in terms of accessing the foreign capital market that the Government would have gone beyond the region and the fact that the Government has come to the region is suggesting of some weakness on the part of Government to access the very funds that they expected to access from foreign sources. In that context, the IDB was supposed to be the major player in the provision of these funds, in the provision of project funds and in the provision of the ISL. If that is so and you are no longer going to be in a position to access the funds from the IDB, then it means that you are going to have to put pressure on your capital expenditure programme.

I do not think that my reasoning is illogical. In fact, on the other hand I think it is rather sound reasoning and, in the absence of information coming from the Government, my reasoning stands. There is every reason to believe that the Government of the day is under pressure to access foreign financing and has therefore had to run to the regional market. But time is my friend and in time I will know whose enemy time is.

SENATOR T. E. BARKER: Mr. President, the Honourable Senator obviously did not read the Estimates. We said at the beginning of this year that in terms of financing we were seeking $162 million in foreign financing of which we specified that foreign commercial loans were to bring in $80.9 million. That was clear and it is here recorded. That was our intention *ab initio* and it was clearly written down. Sir, we had people writing to us offering to lend us money. I know personally of 4 offers. There were others where we had difficulty and we checked them out, but, they were legitimate offers to the Government of Barbados to lend us money. Some of them asked how much money do you want and they can supply our needs.

Sir, we did not do like what happened with the kola syrup. We clearly analyzed all of the offers and the politicians did not do it, Sir. The technocrats in the Ministry did it including the Central Bank. So unlike the kola syrup episode, we analyzed all of the bids. We did not go to Citibank. They came to us and they said we can supply you with money and we took what we thought was the best deal. Four offers, Sir! I do not want to call the names in here but there were four offers from legitimate institutions, some of the best names in the world of banking and we analyzed all of them looking at interest rates, terms and all of that. We chose Citibank because in our judgment it had the best terms and the best conditions, bearing in mind that we said from the beginning that we wanted $80 million in foreign commercial loans.
5.00 p.m.

So all this talk about desperation is absolute rubbish. Desperation was in 1990 when in order to finance the campaign, in order to rush through a few things, the Government, of which the Honourable Senator was advisor, went to London, not to visit the Queen, to the financial markets and borrowed £30 million at a rate of 13.5% and, not only that, put us in a loan situation where the loan was to be repaid in a one-shot payment in 25 years, which means in the year 2015.

So until the year 2015, the DLP Government of which Senator Mascoll was advisor, put us in a situation where every year in interest charges alone we pay $11 million. So multiply 11 million by 25. It is 275. So in interest alone, they have committed us to paying $275 million on a £30 million loan in 25 years. That is desperation. That is what that Party committed us to.

The Prime Minister said in the Other Place that we are committed to refinancing that loan because obviously, Sir, the terms are almost usurious. But do you know what is happening, Sir? the people who lent us the

money are saying where else are we going to collect 25% interest. Therefore, if you want us to redeem the loan you have to come at a high premium.

Sir, the action of that Government has kept us in a situation where the taxpayers of this country in interest payments alone could save about $4 million. The Senator gets up and talks about desperation when we from the start said what we wanted and got a loan of reasonably good terms. The interest outside is about 9% compared to the 13.5% that the Honourable Senator's Party got 4 years ago. So when he talks about desperation, it irritates me because if he were true to himself he would recognise that the Government has done well, not only because the Government is using foreign borrowing very wisely, because this year we are expected to pay something like $80.9 million in amortisation of foreign loans which is precisely the amount of this loan.

In other words, Sir, this loan that we are here debating is primarily to pay for the amortisation which is falling due during this financial year. That is what you call prudent management of the national debt. That is to be commended. The $80.9 million that we are borrowing is to pay the foreign amortisation and the project loans obviously would go to capital works.

I want to talk a little about capital works because the Honourable Member is making a song and dance about whether or not we are going to get the funds for the capital works project. I remember him in March of this year, in this same place, questioning whether or not we are going to raise the money on the commercial loans that we said we were going to raise. Now his words have come to haunt him, true to form, he is now questioning whether we are going to raise the money for the project loans. Sir, he should know by now that the project loans are already committed.

For example, the South Coast Sewerage Scheme which is to start soon. The money for that has already been committed by the IADB. The World Bank is committed to certain road works, for example, Highway 2A and so on. So the commitments are there. The IADB and the water service, all these things are already committed. So it is not really a question of getting the funds, but we are not going to rush into a capital works project to end up like Sherbourne or the Queen's College site. You do not start projects until you are ready. You make sure everything is in order so that when you start you can go right through to completion. We are not reckless in rushing about and starting before we have all of the feasibility studies and everything done.

Sir, we are going to make sure that the contracting process is transparent and follows the law to make sure that the country of Barbados benefits from the whole tendering process and not an individual or individuals. So there is no question about whether or not we are going to raise the project loans. It is nonsense. The funds are already committed. We just have to make sure that everything is in place for the works to start.

SENATOR C. A. MASCOLL: Sir, on a point of order, Senator Barker is misleading the Upper Chamber. Senator Barker has just stated that the $80 million is supposed to be used to repay the amortisation component of the foreign debt. That is what Senator Barker said. Now in the Resolution which is here and which we are debating it says on paragraph 5:

> "WHEREAS the Government deems it necessary to borrow sums up to $40 million in the currency of the United States of America from City Bank Trinidad and Tobago Limited by issue of securities on the regional market for the purpose of financing the Government's capital development programme..."

Senator Barker is suggesting that it is merely to repay amortisation.

SENATOR T. E. BARKER: Sir, I was commenting on the fact that the amortisation of foreign debt this year is $80.9 million which is precisely the amount of the loan. So the point I am making is that when one looks at the worst scenario we are paying out $80.9 million in foreign amortisation. Therefore, noting that this is an outflow of foreign exchange, we are borrowing to the tune of $80.9 million which will also assist in the capital project.

The point I want to make, Sir, is that we are not borrowing any more than we are paying out in foreign amortisation.
5.10 p.m.

Mr. PRESIDENT: You do not need to rise. I think you have made your point.

SENATOR C. A. MASCOLL: I want to rise on another point of order. The Senator is suggesting that Government only has an outflow of $80 million this year but there is foreign interest of $52.3 million. Have you borrowed to repay that as well?

Mr. PRESIDENT: No. You cannot really ask questions. That is not a point of order. Please proceed, Senator Barker.

SENATOR T. E. BARKER: Sir, with regard to the foreign interest payments, it shows how good we are managing the affairs that we do not have to borrow money to repay foreign interest. We are repaying foreign interest without having to resort to the foreign market. We are showing that our foreign reserves are doing well

and that the fiscal side of the Government is doing well to allow us to repay foreign interest without having to borrow, as has happened in the past.

Sir, I want also to make another point on the whole question of domestic *vis-a-vis* foreign borrowing because in the past the Government relied heavily on domestic financing. For example, in 1993/94 the Government borrowed $202 million locally and less than $50 million – about $44.5 million – on the foreign markets. Last year it borrowed $115 million on the foreign market and $137 million on the domestic market. Now, this year we are projecting that we are going to borrow $162 million on the foreign market and $94 million on the domestic market so we see a reversal.

The reason for that is that we want the private sector to be involved in the whole development process. How can we do that if all the money that is in the banking system was soaked up by the Government, as happened in years gone by. In years gone by the private sector was crowded out because lending to Government was relatively safe. It is a charge on the Consolidated Fund and the Treasury Bill interest rate was pretty high at that time 7%, 8% so that the banks felt comfortable lending to Government. The result was that the private sector suffered because there were not enough funds for their own development.

Sir, by reversing the policy now, we are telling the private sector, there is enough confidence in the economy now that we can access the foreign market. We will go out there and access the foreign capital market. You can now have access to the local market because we are not going to dip into the local sources of financing in the way we have done in the past.

It is one thing, Sir, to tell the private sector that you expect them to be the engine of growth and all of that and at the same time soak up all the available credit in the economy. It is a reversal and a necessary reversal because what will also happen is that there will be enough foreign exchange in the economy coming in both from the capital market as well as the project market to make sure that the development that goes on in the country does not dry up all the funds.

Sir, whenever a house is erected in Barbados there is a foreign exchange component and unless there are enough foreign funds coming in we will run ourselves into foreign exchange problems, as has happened in the past, so we are making judicious usage of the foreign market to make sure that there is enough foreign exchange in the island so that when the agriculturists want to buy a tractor to help them make sure that the sugar output is back to 80 000 tonnes, that there is foreign exchange there to allow them to go and buy the tractor knowing that it cannot be bought with local funds. We have even made sure that the diesel and so on will be free of duty so Government must be commended then for the way it is handling its debt and the way how it is handling the foreign reserves of the country to ensure that the development that we so much want takes place.

So, Sir, while Senator Mascoll is ranting and raving he is completely forgetting that the way how we are accessing the capital market is a complete reversal of his policies. Not only are we going in a timely manner, but also the fact that we have demonstrated not only to Barbados but to the international community by way of things like the overdraft limit which this Chamber passed a little while ago, that is telling people that Barbados is a place where management of the economy now is high on the list of priorities so that when they lend us money they are reasonably sure that when the time comes for repayment the country would be generating enough funds to repay them.

Now, in case anybody says that they never had that problem, I would refer to the fact that in 1990 the Government, according to Senator Mascoll, was in a desperate state. The Senator used the word "desperate". They were desperate to the extent that they could only borrow at 13.5 per cent rate. That was desperation. In this regime now, because of our policies, we have four reputable banks queuing up, some of them phoning me every minute, and we call it water legacy money because they feel that we are a reasonably safe country which they could lend. They are calling me up because they want to do business with Barbados. What a far cry from 1990 when desperation, according to the Honourable Senator, was the order of the day. This fair land of ours, which under the Barbados Labour Party could raise its head and then go to any bank in the world, was dragged down to the stage where desperation, according to the Honourable Senator, was the order of the day.

Sir, no wonder the Leader of the Democratic Labour Party talked about dead weight. I am not certain if the Honourable Senator is dead weight but I am sure that when this report of his speech reaches the Leader of the Opposition that we will soon have a new Senator because when he can come and admit that they were desperate, and he was the advisor, and the only person who knew what was going on, I think he will lose his pick.

The point is, Sir, desperation is no more. We are holding our heads high and the international banks of high repute, proper banks, big names in the banking world, are knocking on the door "Come man. Say what you want".

Aside.

SENATOR T. E. BARKER: No. Not Alleyne Bank. The best banks in the world are knocking on the Minister of Finance's door saying "Come. You want money?" And it is not at 13.5 percent but at proper interest rates.
5.20 p.m.

Unfortunately, it is not in the 5, 4, 3 range. But, Sir, as stated here, I do not know if the Senator knew these things, the rates are in relation to market price of 1% maturity on the day of issue plus a spread within the range of 350 to 385 basic points which is around 9% or thereabouts. That is the rate. The range is an indicative of around 9%, a far cry from 13½% which we got in the days of desperation.

I see the fact that we were able to get this loan as a plus for the Government. The fact that it comes from the regional source is a plus for the Government. The fact that it comes from the regional source is a plus for the region also. I am not apologizing for going on the regional market. What should I apologize for? We did not have to go to America or Britain. Nothing is wrong with us going on the regional market. It makes sense. It makes good commonsense. I do not know why Senator Mascoll is decrying the regional market. You cannot decry the regional market. It is an important market. I do not know what he is getting off at.

The fact that other institutions besides the Central Bank will be involved in the bonds, that is how they operate. They draw the bonds for you but certain pension funds and other institutions buy the bonds. I do not know how he is an adviser to the Government and did not know these things. No wonder they were desperate. It is a well-known fact that when a bank draws up a bond anybody can go and buy these bonds. It is a fact. That is how the markets work. I thought the boy learned something at university.

Sir, I want to commend this resolution to the Senate and urge the Senate to support it and see it as another plus of our office that we are able now, after the dark days of the DLP, we are now in the sunlight and people are recognizing us for what we are again, a number one country, a country where prudent management is the key word.

Thank you very much, Sir.

Mr. PRESIDENT: Senator Farley.

SENATOR THE HON. R. R. FARLEY: Mr. President, I beg to move that this resolution do now pass.

The question was put to the Senate and agreed to.

RESOLUTION TO APPROVE A LEASE OF LAND AT ORANGE HILL, SAINT JAMES TO THE BARBADOS ASSOCIATION FOR THE CORRECTION OF LEARNING DISABILITIES FOR USE AS A SCHOOL

Order No. 5 was called – To move the passing of a resolution to approve a lease of land at Orange Hill, Saint James, to the Barbados Association for the Correction of Learning Disabilities for use as a school.

Mr. PRESIDENT: Senator Farley.

SENATOR THE HON. R. R. FARLEY: Mr. President, this resolution seeks the approval of the Senate for a proposal to lease a parcel of land at Orange Hill, in Saint James to the Barbados Association for the Correction of Learning Disabilities.

The basic conditions of this lease which is for 2 000 square metres of land and the associated buildings which housed the former St. Silas Senior School which, as you would appreciate, Sir, has previously been relocated and that building has been vacant for some time.

The lease to this institution will be for a 15-year period with an option to renew. The nominal rate which I am sure would attract the attention of some Senators is $100 per annum, renewable every 5 years. As I said the size of the property is just over 2 000 square metres which translated into square feet is in the range of 22 869 square feet with buildings. But the lessee will be responsible for refurbishing the premises and there is some considerable refurbishing that is required and for payment of taxes, insurance premiums and the like. It is under Capital 25 that we are seeking approval for this action. But, Sir, this matter is significant on 2 fronts. One is that there is the natural phenomenon, it would appear, for buildings which are unused to deteriorate very, very rapidly. We have seen the situation where, many of the buildings which were owned by the Anglican Church but used by the Government of Barbados for providing schools for many years, returned to the Church, after new schools were built. These schools quite rapidly deteriorated.

I can think immediately, for example, of the former St. George Girls' School. I think right now, the building has been overtaken by a tree, a tree which has grown either out of the side or the centre but the building really is of no use. I do not think it is even good enough now to house wandering souls. I think even the rodents would reject being accommodated in the premises there. But that school was being used, as a school, up to a number of years ago. When the students moved from there into the new building for the amalgamated boys' and girls' school, it was very much in use. The St. George Boys' School, on the other hand, Sir, continued to be used. It was used by the LIONS Club, a cricket club nearby and some other people. That has stood up fairly well. There are a number of other examples we can think of.

I think it is important for buildings which are no longer being used by the Government, but are owned by the Government to find some alternative use.

Secondly, Sir, the Barbados Association for the Correction of Learning Disabilities which is a voluntary non-profit organization running a centre which I believe we all know as the Learning Centre. That institution has quietly been doing quite valuable work in Barbados. They have wanted to have some improved premises for some time. I believe they are currently located in Spooners Hill. They have identified this particular location as being one which would be suitable for their expanded operation.

The whole question of the identification and the treatment of learning disabilities is, as you know, Sir, a matter which has attracted Government's attention. I would just want, without going into the details which I am sure would be covered later in the evening, of the fact that the Minister of Education having recognized that not all learning disabilities are obvious has embarked on a programme of diagnostic testing within the primary school system which will help us to identify any impairments which might be at the heart of learning disabilities. These kinds of programmes are of extreme importance to us.

We believe that in terms of our human resource development strategy that it is important for us to provide a framework within which every individual can make a contribution to the maximum of his ability and if there are any disabilities whether there be the obvious kind, in terms of an obvious physical handicap or a clearly demonstrated mental challenge, that we have the responsibility to identify and to adopt the appropriate corrective course.

But we also identify, Sir, that, as a Government, we will not necessarily be in a position to provide all of the corrective care which is required. In fact, perhaps it is not even desirable that this should be done. Instead we need to provide support particularly to these voluntary non-profit organizations who have identified the availability of resources particularly in terms of available skills and a willingness to help and they have identified the particular niche in which they choose to channel their efforts which means, of course, Sir, that there is a certain extra willingness, a certain zeal that is added to their work that is not, unfortunately, often captured within the general civil service bureaucracy which obviously is the mechanism which Government would use to deliver programmes of this nature. So we are saying, Sir, that whilst it is the clearest possibility of the Government to provide that environment which will allow for the maximum utilisation of the talents of all of our people we do not necessarily have to follow the mistaken view that Government must be the sole provider of these services.
5.30 p.m.

Sir, I would certainly want to laud the contribution of the Barbados Association for the Correction of Learning Disabilities and all other organisations that are working particularly in this area. I must stress the point, Sir, and this is my personal view, that very often our success in matters relating to education and human resource development in general is clouded by the fact of the high achievement we have at the top end. Often, Sir, we do not recognise that within the same population from which the high flyers have flown we also have some persons who are unduly burdened by a disability, be it physical or mental and they have not been able to even leap off the ground, furthermore fly.

While we certainly are quite proud of our achievement in terms of the number of Barbados Scholarships, the number of higher degrees, the many interesting and new areas in which our people are excelling in universities in North America and Europe, the successes which they have had in key positions all around the world, we certainly would want, at the same time, to recognise that we have a responsibility to all of the other persons, particularly those who are average and less than average. So the Government is quite pleased to be able to provide this facility to the Barbados Association for the Correction of Learning Disabilities and indeed I daresay that we look forward to being able to provide assistance of one kind or another within the limit of our resources to other voluntary groups who are assisting us in our long-term commitment to the overall development of the human resources of this country.

With those few words, Sir, I commend this Resolution to the Honourable Senate and I beg to move that this Resolution do now pass.

SENATOR Mrs. V. J. DAVIS: Mr. President, I am very, very pleased to speak on this Resolution to approve the lease of land at Orange Hill, St. James to the Barbados Association for the Correction of Learning Disabilities for use as a school.

I suppose at this point it is a great relief to have the economists off the Floor for a change. Is the study of the economy an art or a science? I am beginning to think it is the art of saying things in a very erudite way with a lot of jargon that ordinary housewives might find it difficult to understand but which ordinary housewives would understand if they were told very simply about borrowing of money and things like that. But I think the economists must have their say and must help us to understand all these technical things that we do not know about.

Everyone I think is very sure about where I stand with regard to people and students and young people with disabilities. I sometimes feel and I wish I could do it, and I wish I could round up all the people who have children with disabilities and who have children without certification and all that to be as vocal a lobby as the people who lobby for what they call free university education.

I must say to start off that I am very happy to note the developments in the Ministry of Education in terms of their acknowledgement of and acceptance of the fact that there are so many different students with so many different abilities and so many needs and that we have to do all the testing and we have to begin to recognise that while certain people in our society have rights there is the responsibility of Government to make sure that all our students have the opportunity to develop their potential.

Now, I am absolutely intrigued by the fact that here is an association for the correction of learning disabilities for use as a school, for children with learning disabilities who are doing a tremendous job of work in terms of students with learning disabilities and this is a voluntary non-profit organisation and yet these people are prepared to pay for the refurbishing of the premises, to pay the taxes, to pay the insurance premiums. These are not people who are sitting down and waiting for Government to take the taxpayers money to give them things free. These are people who are prepared to work towards improving the lot of people with disabilities. When I contrast this, and I must, Mr. President, I feel so strongly about this that I must make my statement about it, when I contrast this with people who tell me that they in some way have a right to free university education, I have some questions to pose to them because I think we must always recognise, not only our rights, but the responsibilities which these rights impose upon us.

Now, I know that the University of the West Indies is going through a whole re-assessment and I know about a lot of the challenges which they have to face and when I hear people talk about free university education I know it is not free. I know it has to be explained that it is taxpayers' money that we are talking about. But the point I want to make is this. I would like to see this right for free university education be balanced against the responsibility to help people with disabilities who do not have certification. I would gladly say, let us give our students free university education, if there is such as thing as that, if they will promise that they will spend two hours a week towards helping people with disabilities and people who have to do continuing education so that that right will be balanced against this responsibility.

I ask myself why is it necessary for students with disabilities and the people who run these organisations to pay a rental fee of $100 per annum and to have to do all these things and then somebody tells me on the other hand that we have a right to take taxpayers' money and have it for university education.

The real concern I have and why I am interested in things like disability and the school for children with disabilities and also those students who leave school without certification, is not whether there are going to be students who have the ability to get into University and cannot pay because there is a lot of emotionalism about this, about what would happen to our students who have not got the money and are going to be deprived. My real concern is if we do not look after our primary school students, if we do not look after the students with disabilities, if we do not look after those people whom the system is not challenging, there will be no poor people who can pass the qualifying exams for the university so that will not really be a big problem that we have to address. But I would stand in this Chamber here this evening and say that I am absolutely sure in Barbados in 1995 that students who cannot afford to pay university education in this country will be able to get a university education either through loans, either through scholarships, either through those people who can well afford it.

I know of more than 90% of people who attend university will not like to be considered poor in this society. I do not consider them poor and they would not like to be considered poor and they can at least contribute towards university education for those who are going to be poor. I know this is just an emotional thing that people say they do not know what will happen to the poor. I am concerned that if we do not look after the students with disabilities or people with challenges, or young people who for one reason or another are deprived and challenged we are going to have less and less poor children being able to go on to university.

The other thing is, what do we mean? I am looking at the question of disabilities and I am thinking about how many experiments have been done with students who started out with disabilities and who because of the correct and proper training and encouragement moved on to university. So, why link the whole question of disabilities and slow learners and that lot that can be put into a big bag with the whole question of university. It is my concern that unless we begin to debate this question about university education in terms of not only our responsibilities to all students but in terms of the kinds of innovative things we can do for challenged students, we are going to end up with a debate, a different sort of debate, not about whether we can afford university education for everyone but we are going to end up with a debate about whether our whole system of government, our whole notion of democracy, our whole education system is one in which we are prepared to give each child in this society the opportunity to do as much as their potential will allow them.

The other concern I have is what do we mean when we talk about free university education. Sometimes I think people are thinking in terms of some glorified high schools. If we want to be really proud of our university we have got to think about attracting the best intellects, we have got to think about having the best and most relevant research. We have to think about publication. We have got

to think about outreach. I do not think that Government can take an undue amount of that pie for education and concentrate it on what we consider university and leave 70% or 80% of our population uncertificated.

I know the statistics are interesting and one can say that they are not probably the ones to be too concerned about. So our rights, if we have those rights, are going to have to be linked to a responsibility to the nation state to give back something, to be able to help those who are not as capable to help themselves as our students with disabilities and other problems.

Now, I want to finally say this. I cannot see how we can justify the position of the free university advocates and I hope everybody spreads this abroad. I really would like to tell parents of children with disabilities and other challenges that they must come out and bring their children. I know this is a problem. A lot of parents with children with disabilities and problems really keep them hidden at home and again we have a question of information and a question of using our resources to encourage those parents to come out and let us face the world. I wish you to tell the whole of Barbados you have children with problems. Bring them out and be as loud and as vocal as the little lobby that screams about their right to a free university education. I do not want to go into this but I have been alarmed to see the people who are yelling about this.
5.45 p.m.

I noted there was a gentleman who I saw said that there must be this right for free education and what disturbed me was that this is a principal of a school in which maybe 90 per cent of those students over whom he presides never even get a certificate to leave school. I think this person was pursuing a graduate degree at the University and was saying that there is a right. And I asked where is the conscience of a person who says this? What about those 90 per cent of the students out there? Do they not have a right to the Government's resources of the taxpayers' money so they too can have some sort of movement pushing them towards something that gives them a little more dignity?

So I am absolutely amazed and I hope the whole of Barbados will know that there is a voluntary non-profit organization who wants to take care of the needs of people with learning disabilities and yet they have to pay $100 per annum for the land, they have to pay their taxes, they have to pay to refurbish the premises and they have to pay insurance premiums and all of these things. Yet, I put that against somebody who says that we are entitled to free university education. Where is the conscience of these people? I am very sorry. I feel very passionate about this because I believe if we are going to be presiding over a so-called democracy and if it is all taxpayers' monies which go into paying the little education pie we are going to have to be concentrating a lot more on our children's disabilities, our primary school children and secondary school children. Otherwise, the very poor that we keep saying might not be able to pay for secondary education, my real concern is that they might never get to the stage where they will even acquire the entrance qualification towards the university.

Sir, I take great pleasure in wanting to see this Resolution passed. Thank you, Mr. President.

Mr. PRESIDENT: Senator Symmonds.

SENATOR Miss O. P. SYMMONDS: Mr. President, as an educator, a member of the Barbados Association for the Mentally Retarded and Chairman of the Advisory Committee of the NCH Children For Action which was until recently known as the National Children's Home, I am very interested in the subject of learning disabilities. Mr. President, it is clearly affirmed in the Barbados Labour Party's manifesto that the Barbados Labour Party is committed to a series of measures to help the disabled.

Indeed, Sir, I was pleased to read recently that the Minister of Education is presently developing training modules for children with special needs and, as our Leader mentioned just now, they also have been conducting diagnostic tests. However, there is still room for private schools like the Learning Centre. It has been in existence since 1977 and from all that I have heard it is an excellent institution and it is well run. It is a school which caters for educable retarded and severely learning disabled children between the ages of 4 and 18. They are encouraged to achieve their full potential and the ultimate objective is to return them to a regular school setting. Thanks to this caring and efficient Government the subvention this year is almost double that of last year.

Mr. President, the Learning Centre does not only rely on Government's subvention, fees or fund raising activities. It also depends on human resources and this is what interests me particularly. Volunteers, I understand, play a major role in the daily programme in such areas as Bible study and sports. It is significant that most of these volunteers are women. Only recently on television I heard a female Scout leader bemoaning the fact that there were not enough men coming forward to help in the Scout movement. Granted that in the service clubs the majority are men. But there is a problem in our schools because in schools at recess the boys are running for the playing fields and the girls are running towards the various clubs and societies. There is need to develop especially among our boys a greater social conscience so that when they leave school perhaps these volunteers to which Senator Davis was referring would be available in larger numbers, not while they are at the university. I have some quarrel with that. I know from experience that it is not so easy

to spend time away from your classes even when it comes to doing social work and helping in the community if you want to get a good degree. But certainly a social conscience should be developed in the primary and secondary schools and volunteers in these private schools for special education are useful especially after they have been shown special techniques and behaviour methods.

I, too, would like to congratulate the Barbados Association for the Correction of Learning Disabilities and I am very pleased to support this Resolution. I am also obliged to you, Mr. President.

Mr. PRESIDENT: Senator Forde.

SENATOR Miss C. Y. FORDE: Thank you very much, Mr. President. I would want too to share a couple of my observations in this particular Resolution. I want first, Sir, to laud the efforts of those individuals who are very actively involved in the Learning Centre and the various activities that are taking place there.
5.50 p.m.

Senator Symmonds made mention of the doubling of the subvention in the Estimates of this year for the Learning Centre and the other institutions, and I want to say that in the programme the Ministry of Education is working on we are looking at placing some $350 000 towards assisting the particular Learning Centre, as well as other institutions such as the Challenor School and the Children's Development Centre, the two of them each about $200 000 to about $250 000.

Sir, in the past our children who were retarded, that is physically or mentally challenged, or disabled as is being mentioned, were kept indoors, hidden away, because of lack of parent education and the awareness by parents that these children do matter. You may be aware by now, Sir, that in the White Paper the Ministry of Education is currently working on the theme which is: "Each one matters, quality education for all." The "all" says "every Barbadian" and therefore I think it is extremely important that we work towards parent education programmes or public education programmes to cater to the needs of the parents so that they too will learn how to deal with such children and pull them out from behind the various walls where they may be hiding. Even though I am happy to know that I see a number of parents taking their children out, giving them the necessary exposure in the communities and in the society as a whole, and I think that is a very important step forward.

As was mentioned by Senator Davis, it is a very expensive exercise for those parents, because there is a fee that has to be paid per term for the Learning Centre, the Challenor School and so on. I know some of them are also given bursaries, in particular where their parents are extremely poor, through the Welfare Department and I think if we can look at concentrating a lot of our funds into primary and secondary education, where for most of the schools or public schools the students do not pay, I think we need to look towards putting more funding into such institutions so that these children can at least have a better opportunity to develop.

Sir, we all know where some of these annexes are located and I always take great patience to make mention of them. For example, the Charles F. Broome Annex is down in a basement, hidden away from the rest of the school. There is one at Erdiston just scotched on a hill and we are also looking at refurbishing the area or giving them a new facility, because it is extremely important that these children be given not only an opportunity to come to school and learn to socialise, but in that education they be given an opportunity to see themselves as somebody. If we scotch them away in a little corner somewhere, to them, to the parents and to the rest of the society it is really just "one of those things". They belong to us, so we are just going to try with them, but not put the particular emphasis in putting them somewhere where they are high profile and people can see something is really being done for them. They too will develop a concept of themselves, "We are people, somebody cares, we are in the limelight." I think it is extremely important that we work towards placing any new facilities in a position where the rest of Barbados can see and that these children can learn that somebody cares about them.

Mr. President, I also want to endorse comments made by Senators who spoke on this topic, to say that through the education of the public it would mean that people would become aware of the numerous ways in which they too can assist the Learning Centre and any other facility for the physically challenged children. I know in other societies the natives are very careful to get involved in voluntary service and it seems to me as though most of the voluntary service that is given in these institutions comes heavily from retired individuals. I think it is about time, if we are talking about the University, the various secondary and tertiary institutions, that we need to have some kind of educational programmes going to let these individuals see there is a need for commitment to volunteer. All those in the society should get involved by visiting the Geriatric Hospital, the institutions for the disabled and the day nurseries to chip in their contribution in that kind of setting. I think if we can educate our people to let them understand and get involved, then they will be able to make a better contribution and acknowledge these children as individuals who belong to this society and who have to develop in such.

Mr. President, the population at the facility which used to be the old Grace Hill School has outgrown its size. I am happy to be in a way involved in the transfer

of the students from that facility to what used to be the St. Silas' Senior School. The students were again hidden behind the Moravian Church at Grace Hill. Now that they are going to be moving over from September to the Orange Hill site I am sure that there will be visibility there. It is a school that is next to the main road. I visited the area about two months ago and when I saw the transformation I was very heartened to see that the contractor has done a fantastic job and I felt that the organisers and the team of individuals who assisted have really made a very important choice in the location of the facility. The facility is at a very advanced stage of completion and I am happy to hear of the various activities that those students will be able to further get involved in the line of ceramics, agricultural science, physical education and things of that nature.

Mr. President, I also want to make mention of our interest in having students tested from the primary stage at the present moment. We need to get into the nursery education as well, but we are starting with the primary because, as you know, Sir, a journey of 1 000 miles starts with the first step.
6.00 p.m.

Since we have been placing emphasis on primary, we have asked Dr. Stabler and his team to test our children in the schools for visual and hearing impairment and so far there are 4 schools that have been completed. He and his team have been able to identify an average of about 150 students who have some kind of hearing problem. They are to be re-tested so that they can get further assistance.You are aware, Sir, that if a child cannot hear very well or cannot see very well that would inhibit that child from being able to pick up the various skills and the various concepts that are necessary for further learning.

Mr. President, we are also planning for 1996 to have children tested for speech problems, because it is necessary that we become aware of the numerous problems children experience in order to be able to assist them in educational development.

I wish, Sir, to call on Government and other institutions to place a bit more emphasis on the students and the resources that are being given to these students from the point of view that for the last couple of years we have been building massive structures, spending millions of dollars on our schools and other institutions but we are forgetting that the disabled need to use these facilities in order for them to be able to move around effectively. I know of the new schools that are being constructed that there are such facilities in place for the disabled, but I would want even those private sector individuals to start looking at building ramps onto the sidewalks as well and not just to knock down the old one that was there and put a little something as an emergency. I want it to be a conscious effort and part of whatever is being done in the plan for the particular facilities so that these individuals can be accommodated.

Sir, I am sure that actions such as these will greatly assist our students who may be in institutions where they are placed because there are no facilities in the regular schools and who may have the natural ability to be able to function in a normal setting. I raised the question at the St. George Primary School when the principal told me – this was about 3 weeks ago – when I said to him, "What has caused you to add ramps to all the classroom doors downstairs?" he responded by saying, "I have done this because there is a child who is physically challenged, but he has all the natural ability in the world and we felt he should be in the regular school. Therefore we have kept every class that he has been in on the ground level. We have done this to accommodate the wheelchair." I thought that that is something that the whole public of Barbados should know.

Sir, you would also be aware of the student at Combermere School with the visual problem – it is history – the successes of that young girl from Green Hill, the blind student, who did so well because she had been drafted into the regular school system.

Mr. President, I am pleased to be connected with the Ministry of Education in particular when I recognise from the 1991 manifesto it was mentioned and I know it is already a document of this Chamber some of the things we were looking at – I am sure that if we had to search other manifestos before that we would come up with some areas where the handicapped and the physically and mentally challenged would have been mentioned. It says here:

"Implement programmes for early detection of handicaps" and we are starting to look at that. As I have said already the journey of 1 000 miles starts with the first step.

We have started to look at that area to encourage the integration of the handicapped child by facilitating its admission to all government day-care centres and of course, all government schools and institutions. To develop additional units at various schools so that the handicapped children can be educated to their full potential and integrated with normal children.

Mr. President, I made mention of the theme for the White Paper, "Each One Matters", and I am sure that each child even though there might be a physical or mental disability, still has potential to do something, and if it is no more than one thing that he or she is good at, I think that that skill or that area should be fully developed and the public of Barbados be given an opportunity to recognise and to praise.

In the same way that we give scholarships and we give different incentives to individuals who are the high flyers I think that we need to project the contribution of those individuals. I attended a Prize Giving to do with the environment sometime last year and I met a student there from the Pre-Vocational Centre. I was extremely touched by his performance. He looks quite normal, but I know that there is some kind of mental problem and that child, as I understand it, is a fantastic pianist. He plays the musical instrument excellently. I heard him make some kind of sound when we were singing the national anthem and it sounded to me as though he were blowing a trumpet. I felt that that is a skill that he should be able to develop and he should be able to go on the NIFCA stage and make a presentation so that the people of Barbados can see something is being done for our physically and mentally challenged individuals in this society.

In our 1994 manifesto we said that we would look at programmes for early detection. That is a continuation of the 1991 one. So as I said there is consistency and when the time for election comes, we do not just talk and give these mouthings. We try to implement stages of it so that Barbadians can all benefit by the efforts.

Mr. President, I have already lauded the efforts of the committee and I must confess that Committee is being chaired by a former member of Parliament, Mr. Keith Simmons. I have been chatting with him very closely and I know that he knows every stage of what is going to happen at that Learning Centre and I think that we need to commend him and his team for that wonderful effort. It is okay for people to have their political differences but when an individual is making a contribution to the development of Barbados and Barbadians I think that we should draw the line and recognise that contribution and praise the individuals for their efforts. I know that he is on the ball with whatever is happening.There are facilities for a kiln. There are facilities for...

Aside.

SENATOR Miss C. Y. FORDE: Yes, another Combermerian. You want to praise Combermere. I am a Modernite and I have to praise the Modernites too.

Mr. President, let me get back on track. I want to continue to praise the efforts of those individuals. I am sure that with the educational programmes that should come about as a result of these activities will help other Barbadians to become aware that other individuals will want to get involved in this voluntary aspect of it.

The acquisition of this land is timely and justifiable and I would wish to give my full support to this venture. It clearly indicates the care, the concern and the commitment of the Barbados Labour Party Administration in helping to look after the social needs of every Barbadian individual including the disabled. It says to me that we must not think of ourselves. Mr. Keith Simmons did not think of himself and felt that his contribution stopped there because he was no longer into active political life but he sees that he can make a further contribution to the development of Barbadians. I feel that that is the attitude that we should all take: try to chip in with some of whatever we have into helping this society to grow so that other Barbadians can benefit.

Mr. President, with those few comments, I would want to give my wholehearted support to this venture and trust that other individuals would come into the forefront in lending their support, their care, concern and commitment to other organisations such as this. That would go to the development of all since we clearly recognise that each one matters in the development of our society in Barbados. Thank you, Sir.
6.10 p.m.

SENATOR J. A. WORKMAN: Mr. President, it was stated a little earlier that for the major part females are concerned in these matters, but I rise to identify myself with the females and the sentiments expressed. In fact, the female Senators who have spoken have left very little for me to say on a few notes I had made on this matter.

What it leaves me to say, Sir, is that as I give them the support and support the measure before us this evening, I think we, in general, in Barbados have found ourselves with a problem where we have become a mendicant society, the same problem the prodigal son found himself in. His attitude was "give, give, give me", and that is an attitude we have in this country. But alas, he had come to himself and then he said, "make me, make me". I think we need to come to that point in our society where we recognise that our country does not owe us a living but it offers us a living.

There is much that our nation offers us but we need to make use of what the nation offers. So we need to come to that point where again we have a social conscience; when we recognise the need to be our brother's keeper and when we recognise the disabilities among us. As we look at all of us here in this Chamber, all of us appear to be equally normal but all of us are not the same and there are so many people in our society who are suffering from mental and physical disabilities. There is a great need for us to sacrifice. Those of us who have, whether it be economic wealth, or whatever talents we have, there is a need for us to sacrifice for those who are less fortunate.

I am happy to state, Sir, that in the not too distant future we are hoping to launch an interdenominational Christian organisation which will be called MIZPEH House for the Restoration of Abused Persons. While it

is being run by the Christian denominations it is not limited to persons who are Christians, nor does it even seek to make people Christians, but it is just to fulfil the Christian responsibility of bringing love and restoration to all people. I give notice now that that non-profit organisation which is to be launched will also be looking for some property to be able to lease or even purchase, Mr. President, for the purpose of carrying out this worthwhile programme.

So, Sir, we need to educate our people to the fact that a disability is nothing to be scoffed at and that those with disabilities do, in fact, have complementary abilities which we ourselves, the high flyers, may not have. It is necessary for us to develop the fullest resources which God has planted in them, even with their disabilities. We need to have programmes of education. Perhaps, the Government Information Service can make use of that medium to educate the public so that those who hitherto we have hidden behind the scenes because of their disabilities can be brought to the forefront, and can be seen to become worthwhile citizens of our community.

I have every pleasure now, Mr. President, in supporting the Resolution before us.

SENATOR Mrs. P. E. RICKINSON: Mr. President, it gives me great pleasure to support this Resolution for the lease of land and property to the Barbados Association for the Correction of Learning Disabilities. I feel very comfortable supporting this Resolution, but, Mr. President, I must admit I felt a bit uncomfortable about the lease of land for the LIONS. It is because of my ignorance because I am not sure what the Government policy is regarding the lease of property to various non-governmental organisations and I have not really had the time to do the research to look and see what happened before. But, as I said, I have no problems whatsoever supporting this Resolution.

I would also like, in connection with this Resolution, to call for the Institute of a category of nurses as School Health Nurses. This is 1995 and we have long passed the time when we need nurses full-time attached to a primary or a secondary school, two or three full-time, not only to help pick up hearing disabilities but there are also problems with seeing, all sorts of behavioural problems that nurses who are trained in the area specifically will be able to pick up from a very early age, in fact, from nursery education because I have had occasion to visit some of the day nurseries during the polio campaign and just looked at different children, asked questions and referred them myself because they did not know that something was wrong and they would say, "Oh, we really did not know."

The nurses do go occasionally to the Day Nurseries but they have full-time jobs in the polyclinics and I am not singing this song because you would get fed up listening to me singing the song about the nurses need to be out in the community. But really the time has come for us to invest in school health nurses attached to a group of schools. We cannot afford a nurse to each school so therefore you can give them like 2, 3 or 4 schools to begin with.

I would like to support the problem of education of the public and, in particular, noise pollution. We are going to have a population of half-deaf people because of this noise that blasts into one's ears. Some people seem to feel that the louder the better but it is really damaging the delicate structures within the ears. Here again, I support others that we need education. I am afraid once I am in this Senate I am going to be calling for this education all the time.

I also would like to support finally the policy enunciated by the Leader of Government Business about the willingness to support non-governmental organisations who are interested in providing resources for the development of the country. I will pass that on to the Nurses' Association so that they can make their necessary application.

I thank you, Mr. President.

SENATOR C. A. MASCOLL: Mr. President, I rise to support the acquisition of land for such a worthwhile cause, but I just want to put forward a recommendation.

I would like to ask the Centre to consider a marketing programme for the Centre which would look at explaining to the people of Barbados that there is provision which exists within the income tax system of Barbados for individuals to make contributions to such organisations and have provision within the income tax system for some deductibility.

There are some other organisations, in fact, which seem to have used this method of financing pretty skilfully over the years and, given the very widespread nature of the disabled across classes of race in this community, I think we have a perfect opportunity to, in fact, market the Centre in such a way to guarantee a wider cross-section of financial support for this Centre.

There are organisations such as the Challenor School which have long been in existence and which apparently have a fairly wide cross-section of support within the community. The same thing I think could be done to assist the Centre at Orange Hill, St. James.
6.20 p.m.

That, for me, would in fact constitute a major effort but an effort which should certainly be of considerable short-term and long-term use to this centre.

As in all things in relation to education I think we have come to the recognition that we need to, as prudently as possible, manage the financial resources in the country and the question of financing education regardless of what kind it is, is indeed going to be paramount for us, as a country. Whichever decision is made in whichever area has 2 major concerns. One a political issue which may be directly related to the whole question of support for a particular party or whatever and secondly, the whole question of the economic concerns which would include both financial and, in the wider context, the cost benefit analysis that is required to demonstrate or justify the existence of free or otherwise education in Barbados way into the 21st Century. It might not appear to be an issue at this point in time for the centre but I can fairly safely project that the whole question of financing is going to be an issue for any organization in Barbados.

I have no choice but to support such a venture. It has a lot of benefit. It may incur cost but certainly the benefits are going to outweigh, substantially, any cost. I wish that some consideration, and I repeat, be given to structuring a marketing plan for the centre such that it can get as wide a cross-section financial support from all members, class members, race members in the community of Barbados. It is an issue that has to be addressed in that kind of light. It is not the mere acquisition of land that is going to guarantee the success of the centre but how effectively it is to be managed and management requires resources. You can have all the ideas in the world and you do not have the resources to carry out the ideas, it is sad to say, you would hardly realize your dream.

Whoever is in charge whether or not it is a hybrid of Bs and Ds or it is merely Bs this is an issue which has nothing at all to do with politics and has everything to do with the development of the human being.

SENATOR D. T. GILL: Mr. President, Sir, I think it was Senator Davis who said that she was relieved now not to hear the economic jargon that we were entertained with during the day. Nonetheless, I should like to begin by saying that the investment which we make now in such a centre would, some time down the road, pay off to the economic credit. Because, years ago, children who fell into this classification would just end up relying on the state for the cheque to come in every 15 or 30 days. Once these children are trained, and this is now a leading science internationally, they can now fall into the employable net and they would be taxpayers like any one of us here today.

Nonetheless, this whole drive which the present Administration is pursuing falls right into the picture where the children with disabilities or not being able to assimilate and to reproduce are also being brought in line with those who are suffering from serious disabilities.

If one were to look just a few months ago, in the Other Place, there was a Bill to assist those children who were deemed dyslexic. Senator Forde would give credence to this. Some 20 years or so ago, there was this youngster who was a dyslexic student, and every week, before normal classes, he would have to go to a trained person who brought him through the various drills of improving his reading skills. Today, this young man is a medical doctor.

Gone are the days when children with these disabilities, as I said, were relegated to the basement or the doors were closed when the others were socializing and entertaining.

These disabilities can be classified quantitatively and qualitatively. As I said earlier in this speech, lots of work is being done and it is being done by specialists in what we refer to as cerebral dysfunctions where they are able to map and see just which parts of the brain are suffering and they will be able to prescribe what types of treatment are required. Then you step from there down to the child psychologist and you move from there down to the teachers.

While this Administration pursues such a line of activity, it is only but bringing itself into the international arena and not leaving our students who have, for one reason or another, been left behind.

We do not know, Sir, as Senator Workman said, that lots of our children who may appear to be the normal child, without any problem and you say, I am sending her or him to coaching particularly mathematics, but these children are themselves in fact, suffering from some sort of inability to grapple basic mathematical concepts, to be able to assimilate, to be able to reproduce. But by virtue of certain skills and certain drills, over a period of time they become adept. They do not necessarily become scholars in the subject but they become adept and they are able, after all, to handle themselves quite comfortably.

The reason why I have taken this area is the problem which lots of our children are having in mathematics and shying away from it. There are not many areas today, even those which 30, 40 years ago were thought to be just areas of reading and reproducing, like the social sciences, which today do not have a mathematical input. If the children with these disabilities or inability to grapple with the solutions and the problems of maths are not corrected at an early stage, you would find that even those disciplines such as sociology, *et cetera* would, at some later date pose a problem to the child...

What we have to do is that at an early stage in the child's life be able to analyze and to see what type of disability it has and to what extent the disability is affecting the child.

With this resolution, as have all the other Senators who have spoken, so far, I have no problem whatsoever in associating myself.

Thank you, Sir.
6.30 p.m.

SENATOR THE HON. R. R. FARLEY: Mr. President, I would like to move that this Resolution do now pass.

The question was put to the Senate and agreed to.

PRESENTATION OF PAPERS

SENATOR THE HON. R. R. FARLEY: Mr. President, I am commanded to lay the following documents before the Honourable Senate: The Exchange Control (Wimpey Asphalt Limited) (Exemption) Order, 1995.

The Training Report for the Year 1st April, 1992 to 31st March, 1993.

Reports of the Barbados Water Authority for the period 1986-87 to 1994.

ADJOURNMENT

SENATOR THE HON. R. R. FARLEY: Mr. President, I rise to move the adjournment of this sitting. Before I do that, Sir, I want to advise Honourable Members that dinner is served downstairs. I beg to move that this sitting do now adjourn until August 2, 1995 at 11:00 a.m.

The question was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.
6.36 p.m.

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