

THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1999 – 2004

THE SENATE

Wednesday, March 28, 2001

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, March 28, 2001, at 11.05 a.m.

PRESENT

His Honour Senator Sir Fred GOLLOP, K.A. (President)

His Honour Senator C. L. BOLDEN, C.B.E., LL.B. (Hons.) (Lond.) (Deputy President)

Senator the Hon. P. C. GODDARD (Minister of Health) (Leader of the Senate)

Senator the Hon. G. S. H. MURRAY, B.A. (Hons.) J.P. (Minister of State, Prime Minister's Office and the Civil Service)

Senator T. E. BARKER, B.A. (Hons.), M.A. (Econ.) (Parliamentary Secretary, Ministry of the Environment, Energy and Natural Resources)

Senator the Hon. Dame Patricia SYMMONDS, D.B.E., G.C.M., B.A. (Hons.), P.G.C.E., J.P.

Senator Miss J. C. ODLE, J.P.

Senator J. E. D. WILLIAMS, B.Sc., M.B.A., J.P.

Senator G. E. N. BROME

Senator C. A. MASCOLL, B.Sc. (Econ.) (Hons.), M.A. (Public Finance)

Senator C. LeR. TROTMAN

Senator Mrs. P. E. RICKINSON, B.A. (Hons.), M.P.H. (Harvard), S.R.N.

Senator C. K. LAURIE, D.I.C.T.A. (S.T.), FBSTA

Senator Sir John Stanley GODDARD, K.A., B.Com., C.A., Hon. LL.D. (U.W.I.)

Senator B. R. COLLYMORE, C.M.G.

Senator the Rev. L.W.B. ROCK, M.Div.

Senator Mrs. V.E. NEWTON, S.C.M., B.A. (Spec. Hons.), M.A., LL.B. (Hons.) (U.W.I.), F.L.A. (Gt. Brit.), L.E.C.

Prayers were led by Rev. Father Errington Massiah.

Mr. PRESIDENT: The Senate is in session.

ORDER NO 3 – TO MOVE THE SECOND READING OF THE FISCAL INCENTIVES (AMENDMENT) BILL, 2001

SENATOR THE HON. P. C. GODDARD: Mr. President, in moving the Second Reading of the Fiscal Incentives (Amendment) Bill, 2001, to extend the respective periods of tax holidays in respect of approved enterprises, this Bill is in recognition of the fact that the capital needed for many new investments is considerably larger today than it was when this Fiscal Incentives Bill was first drafted.

In addition to that, many locations in the region have moved to a more competitive and liberal fiscal incentives systems and in order to remain competitive with other countries in the region, it has been deemed necessary to extend the period of tax holidays provided for various types of businesses.

In this regard, the Act provides for –

Group 1 enterprises – 15 years.

Group 2 enterprises – 13 years.

Group 3 enterprises – 11 years.

Enclave enterprises – 15 years.

In order to ensure that there is a level playing field, it has also been decided that the time period for approved

enterprises to carry forward losses should be amended to bring it in line with what occurs in other countries under the Income Tax Act and, as a consequence, Clause 2 of the Fiscal Incentives (Amendment) Bill, 2001, has been inserted to effect that change.

It might be noted that, at present, under the Income Tax Act, a company is allowed to carry forward losses for a period of nine years. However the Fiscal Incentives Act only makes provision for the carrying forward of losses for a period of five years, so that has been adjusted in this Bill.

Mr. President, this Bill is being introduced to ensure that Barbados has a very favourable climate for industrial activities, recognising that manufacturing has become a much more capital-intensive function rather than labour-intensive function.

Indeed, Mr. President, today laptop computers are assembled from components that are on an assembly line without a human hand touching that laptop computer until it is placed in a box, so that all the components coming together are placed by robotic machinery and are assembled without a single person touching them. Of course, the people that are employed in that plant are software specialists who maintain the robotics and keep the machineries working well. So, therefore, there is a different type of employment that is generated out of the manufacture of something similar to a laptop computer.

At the same token, Mr. President, one might note that the manufacturing of silicone chips today has risen from \$100 million to a \$200 million investment, and to a \$2 billion investment for a single plant. So one can see that the complexity of the manufacturing of the important pieces that make up the industrial scene around the globe today has been a significant expansion of the capital needed to produce many of these products.

Mr. President, it has been said in this Chamber that the Government is not interested in manufacturing. However, this Bill clearly indicates that we are serious about having a balanced economy, that we have recognized that there are niche areas for us to excel at, and that there are high-value manufacturing enterprises that would be very successful in a location like Barbados.

I do think too, Mr. President, that we have to recognize the constraints we operate under in a fragile, small ego-system in the Caribbean. Therefore, we have to be very selective about the types of manufacturing we do to ensure that there are no excessive pollutants and no degradation of environmental systems as a result of such manufacturing processes.

Therefore, Mr. President, I think we are setting the framework and the playing field for us to be competitive in this area and for us to be selective and prudent in the types of manufacturing operations we will allow in this country, those that will benefit the economy but would not harm the environment, those that will benefit our people but ones that would be at the higher end of value processes so that meaningful employment would be gained. No longer can we aspire to the low end manufacturing which depends, quite often, on competing with labour forces that actually draw no pay at all, or very little pay. We must be very cognizant of the fact that there are countries around the globe that press people into employment with very little or marginal remuneration.

With our investment in education and in health we are in a position where we are producing high quality, highly productive labour to engage in high value-added manufacturing and business activities. Therefore, Mr. President, this Bill will go a long way in supporting the investment to these enterprises and attracting both foreign and local investments to new manufacturing enterprises.

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

Mr. PRESIDENT: Senator Mascoll.

SENATOR C. A. MASCOLL: Mr. President, Fiscal Incentives legislation really is on its way out in this new global environment, very much on its way out.

This Government, over the last six years, has put in place some minor tax concessions and minimal efforts to assist the manufacturing sector who has not responded to any of the measures taken over the last six years and the reason for that is clear.

The real issue that has to be addressed, as far as manufacturing is concerned, is cost. It does not make sense to give incentives to an industry that, by its very cost structure, is out of sync with its competitors even within the region and so you are really wasting time as a Government, if you are proposing to extend the fiscal incentive period from five to nine years. You are merely delaying the inevitable.
11.15 a.m.

What has to be looked at really is the refusal of this Administration to deal, in a timely fashion, with those major problems that have inflicted the manufacturing sector in the last six years or so. We only recently introduced something called, bound rates which were designed to offer equivalent protection to manufacturers.

The bound rates represent a replacement for non tariff barriers such as import licences. The intention there really was to "tariffy" the non tariff barriers, that is, to put an appropriate level of taxation in place that would offer similar protection to the manufacturers as the import licences that existed prior to the introduction of the bound rates.

Now, those rates were calculated as far back as 1994 and, indeed, the process of dealing with the WTO would have started around that time. It was fully recognised that it would take manufacturers a number of years to adjust to this new environment where we would remove import licences.

It was even more recognisable that the method to be introduced, that is, the bound rates, should have been introduced as soon as possible after 1994. It took this Administration six years to introduce the bound rates, thus reducing the effective period for the manufacturers to adjust to the new global environment from ten years to a mere four years.

Sir, that is unfortunate because all of the politics about whether the last Administration signed on to the WTO as was stated in the last Budget and the previous Budget, is irrelevant. What is relevant is whether or not you are in a position, as an administration to change any of the facts. In short, none of the facts has happened to be changed in the last six years. What has happened is that there has been a skillful exercise in pretending that the *status quo* has been radically altered, when in actual fact there has been the embracing of all the reforms. As I said recently in this Chamber that in 1994 this Administration said that it disagreed fundamentally with trade reform, but has embraced everything since 1994. Now, those things matter most.

The cost of energy that was seen as a major input and is a major input into the production process was supposed to be treated by this Administration in a revolutionary way because it was stated then that energy cost is a major factor in the overall production cost of manufacturers in Barbados. Sir, nothing major happened except the adjustment of fuel and energy costs in accordance with world oil prices and therefore the cost of energy remains a major factor for manufacturers.

In fact, we had the appointment of a parliamentary secretary in the Ministry of Finance whose major task really was to monitor oil prices. On the evidence so far, he has not performed very well, but he was only the Parliamentary Secretary of Energy, that is, simply to monitor oil prices. Nothing has happened.

It does not stop there. We have seen in recent times the movement of manufacturing entities from Barbados and when questioned, they have said that the major factor

responsible for the closure of these manufacturing entities is the cost of business. That has been said by all: Ensopac Limited, Atlanta Manufacturing, Ju-C, Busta and I can recite a whole host of manufacturing entities that have suffered under this Administration since 1994.

These fiscal incentives are designed to do what, rescue the dead? They cannot do anything unless they address the more fundamental points of cost to the manufacturing sector. In this new global environment, it becomes imperative to look at this question of cost.

Sir, what is really happening here is that the issues in this sector are beyond the ability of this Administration to deal with them adequately. Unlike every other major issue, particularly of a social nature in Barbados, you cannot fly a kite first to determine the wind and then make a statement after that to satisfy the majority few, and that has been the strategy of this Administration in all the major issues and the social issues. The most recent happens to be here with the Police. You fly a kite, then you look for what is popular and then you sit in behind so that you would be popular.

Sir, that cannot happen in manufacturing because there is no chance for time to be utilised or abused in the way in which it has been done. Every day loss in this sector becomes a major concern to the manufacturer and, by extension, to the country itself, so no kite could have been used in this exercise. It is not a popularity contest. It is about understanding, and what do I mean by that? How could this have been addressed by this Administration other than through this so-called amendment to the Fiscal Incentives Bill which, as I said, at this point in time is neither here nor there, and I will elaborate on that later.

The first area of concern for this Administration would have to be ensuring higher levels of productivity across the board. How could that have been encouraged by seeking to put measures in place that would encourage work effort? And how can that be done? By making some adjustment to your levels of taxation?

The first one you would address is the income taxation so that in order to increase work effort, which is just another name for increasing productivity, the Government could have used, and should have already used, the route of reduction in taxation. The reduced taxation would serve to be an inspiration to workers to work harder and to give of their best, a simple case for the Government in the short-term to increase productivity. An increase in productivity, again, therefore leads to a reduction in the average cost of doing business.

11.25 a.m.

To say that you are adjusting, as was done recently, interest rates downward by .05 per cent really translates to

\$9 million. Where you have savings of \$1.8 million, 1 per cent of that is \$8 million, so .05 per cent is \$9 million, so effectively you are putting \$9 million in the hands of commercial banks hoping that they would then translate that into reduced cost of credit.

Now, how could that happen? You have a situation in which you are making an adjustment in your deposit rates to be translated into reduced credit. A commercial bank would have to be going mad to even begin to accept that reducing the deposit rate by .05 per cent would be instrumental in reducing the overall credit rates. Mr. President, that would translate into a simple ability now of the individual commercial bank to play around with the new found income so this really is an attempt to increase the overall profitability.

What I am saying is that commercial banks are not going to be in a position to pass on any so-called benefit to the borrower. That is neither here nor there. Furthermore, this is the same Administration that two years ago used the same deposit rate, which it increased then, to suggest to John Public that he or she should be saving more. We were told that increasing savings means investment. So what has happened all of a sudden? Does increasing savings not now translate into investment, and why are we so disposed now to reduced deposit rates and in whose interest?

As I said, that is a minor thing because that form of policy cannot benefit the manufacturing sector anyhow. Then you have the overall level of taxation, mainly the Value Added Tax which, because of how it works, does not translate effectively into a taxation on the manufacturing sector because of the credit invoice system because it still increases the overall cost of doing business to manufacturers, but that is not even the critical part.

What happens under a value added tax system is that all the competing imports from North America and other developed countries outside of the CARICOM region which previously encountered stamp duties, consumption taxes and the like were enormously high so that the reduction in the Value Added Tax occasioned by a 15 per cent rate translated into an increased competitive edge for all manufactured products outside of the CARICOM region so that from that time we know that manufacturers would be under some pressure.

This was compounded by an agreement to reduce the Common External Tariff from a high of 45 per cent to 20 per cent over a four-year period ending in 1998. The Common External Tariff, as we all well know, is that tariff that CARICOM countries agreed to be imposed on goods coming from the non-CARICOM countries as a form of protection for manufacturers within the CARICOM region.

There was an agreement in principle with international organisations across the board that it would be reduced from a high of 45 per cent to 20 per cent. That also meant reduced protection for local manufacturers and manufacturers throughout the CARICOM region. That, in itself, constituted another area of concern for manufacturing entities.

It is also known that Barbados' cost structure is out of line with most in the Caribbean. Barbados cost structure as it relates to wages, utilities, rental of property and to almost every component of cost in the manufacturing sector is out of line with the rest of the region. Let nobody say that means that we have to devalue the dollar in order to make a commodity more competitive within the region because that will make no sense.

Devaluation is not the route at all for Barbados in order to increase competitiveness, because if it were, then certainly, Jamaica and Guyana would be examples to follow in the region, so there cannot be any devaluation because devaluation would mean that your input cost and your raw material inputs would also go up and consequently your output cost will be higher, so that is not the route.

The route in the short-term is productivity gain and that has to be addressed, and it is not being addressed because in order to tackle productivity effectively within the private sector, you have to be able to tackle it effectively within the public sector, and that is where the notion of public sector reform is critical. Public sector reform is a must for overall increase productivity and efficiency in the Barbados economy. In the absence of it, then there would be no real strides made by this economy. Public sector reform is a must. It cannot be pooh-poohed with.

What is really happening here is that once again you have an administration that is not sure how the whole question of public sector reform has to be tackled, or should be tackled, in the first place. The overall efficiency and competitiveness of the economy depend largely on what is done in the public sector and that has not been addressed. So you cannot stop there. It is all about what really is going to happen now in this new environment within the region. That is why this amendment is a "no-no" because the process for harmonising fiscal policy and tax policy in the region should have started and should have been far more advanced.

We do not need to have any amendments to any Fiscal Incentives Act in Barbados. We need to look throughout the region and try to harmonise our fiscal incentive regimes, our taxation regimes and our overall regimes. There is a need for harmonisation throughout the region, so to come and make an adjustment here and there to the length of the tax holiday is a waste of time.

Let me cite a case, and again, it is unfortunate that I did not travel with all of my tools, which is from "The Business of Barbados" which is a publication containing an article done by Patrick Hoyos on Douglas Mellinger and the PRT experience. PRT is supposed to be, or was supposed to be a flagship company for Barbados in that it was tackling the high end of value added.

We heard a lot about it this morning in the presentation. PRT was to tackle the high end because it is about programming software in the area of computers and that is stated clearly. No nodding of the head can dispute what I am saying. PRT was supposed to be developing software programming for those major companies in the United States of America. The experience of that particular subsidiary is that initially the company established a subsidiary in India where there are a number of software programmers but because of the environment, or the lack of environment in India, they then searched around the CARICOM region for relocation and Barbados was identified. Barbados was identified because of the access to telecommunication advantage and all the other advantages, stability, among other things. PRT came to Barbados, established a company with a so-called employment level of 350 people, of which 70 per cent were Indians and the other 30 per cent employed came from all over the globe – Japan, the United States of America, the United Kingdom and other CARICOM countries. We were made to believe that this flagship company would represent the future of Barbados' manufacturing course, that because it is high value added it is the appropriate company for us to be targeting.

11.35 a.m.

SENATOR THE HON. P. C. GODDARD: Mr. President, on a point of order. The Honourable Senator is misleading the Chamber. We are talking about manufacturing and the Honourable Senator is talking about an information age company which is not manufacturing. He stated very clearly it was about software development, but it was also about managing a network system for Morgan Stanley and for Prudential. Therefore, it was much more than just software development. It was also managing network systems and interacting with business processes. It has nothing to do with manufacturing. PRT has nothing to do with manufacturing.

SENATOR C. A. MASCOLL: Mr. President, I will accept that as a point of whatever.

Mr. PRESIDENT: I am sorry. It is a point of order. You gave way and the point of order has been made. Please proceed.

SENATOR C. A. MASCOLL: Mr. President, this debate is on the Fiscal Incentives Act, not on manufacturing.

I am identifying manufacturing as a component of an area in which it can serve to be of some benefit, but I am also suggesting that there are other areas. I do not have to confine this debate to any manufacturing sector. PRT is what I said it was, a software computer programming company. In fact, what has happened is that the flagship industry which was attracted here because of the so-called advantages of Barbados, coming under the Fiscal Incentives Act as well in less than two years, dramatically downsized its operations. I have a lot of difficulty understanding what happened because the five-year period was not exhausted but they left the shores of Barbados in spite of the fact that they were presented as a flagship company of the future under the Fiscal Incentives Act.

Why did they leave the shores of Barbados? That followed on the heels of CDS which employed as many as 1 200 people in the early '90s and now is no longer a company in Barbados. It is not a question of extending any five-year period to a nine-year period. It is a question of looking at the realities of doing business in Barbados; and the realities are simple: the costs are too high. You can check other areas of business in Barbados across the board.

In tourism and in manufacturing we have seen a number of casualties in the last couple of months in Barbados and the solution is not to extend any five-year period to a nine-year period under the Fiscal Incentives Act. You must ask the question why, even in the year of the international business sector which was under the armpit of the Leader of the Senate only about two to three years ago, that that sector has not taken off? Why is it that we are suffering to become competitive in an area we should be competitive in because of the high value added content? We are told that we can no longer make manufactured products, that we have to look to other areas to utilize the skills and technology. We were even told ...

SENATOR THE HON. P. C. GODDARD: Mr. President, on a point of order. Once again the Honourable Senator is misleading the House. In the area of international business, the Honourable Senator is saying that the international business sector has not taken off. However, it has recorded successive gains in each successive year since 1994 and those gains have been significant.

SENATOR C. A. MASCOLL: Mr. President, that can be debated from now to next week because even to measure the contribution of the international business sector is beyond us. We have not been able to include it in the Gross Domestic Product of Barbados. We have not been able to measure it because of its value added content. Its major contribution is to make an existing set of rich people richer because the area of rental of property is crucial. To hear about IBCs and offshore banks and not to understand how

they function, and to believe that it is a glamour area, is to misrepresent truth from reality.

This was not said by Senator Clyde Mascoll. In a recent conference at Sherbourne the presentation of the Secretary-General for CARICOM stated clearly that international business in Barbados employs less than 300 people. I was privy to the information but I was not present at the Conference. I am saying that the CARICOM Secretary-General stated clearly that only the Bahamas in the region can boast of any major international business sector. That is a fact.

What I am saying therefore is that to begin to believe that the extension of a Fiscal Incentives Act is going to be a major impetus to the manufacturing sector and business in general in Barbados is to lack an understanding of the reality of life for manufacturers and the business sector as a whole. It is not true that this legislation is going to do anything. It is outdated legislation and this is where I come to the outdatedness of the legislation.

In this new global environment, even things like double taxation treaties are things of the past furthermore fiscal incentives legislation. In a strange way this legislation really discriminates against local manufacturers, so to be seeking to encourage foreign investors by giving them all kinds of provisions that go contrary to what you can give your local manufacturer is in itself unfair. To request of local manufacturers that their value added content be of a certain proportion in order to be considered an Enterprise One or Enterprise Two, as stated in the Act, is really not in concert with what is happening in the world to date. You do not need any special provision.

All manufacturers, regardless of where they come from, should have to operate on a level playing field. To begin to think that you can put certain measures in place in order to encourage one form of investor as opposed to the other, is contrary to the spirit of this new global environment. That is the point that has to be made.

Fiscal incentives legislation is outdated and, in fact, is in many ways discriminatory and should not even be considered for extension, but we should be seeking to abolish fiscal incentives legislation. We should not in any way be seeking to favour any particular group of investors over the other. That is why I made the point up front that the extension is neither here nor there and it is contrary to everything we are seeking to promote within Barbados and the rest of the region and, by extension the rest of the world.

I do not understand in this new global environment why we are even contemplating adjusting the Fiscal Incentives Act. It is backward. You cannot be saying that a company

which has the capacity to earn foreign exchange is now a preferred company in this new global environment. That does not make sense because there was no way in which you are supposed under the WTO tenets to seek to discriminate. It is the same way we have opened up our land market for all kinds of foreigners to have access. Why could we not provide fiscal incentives legislation for local purchasers of land?

11.45 a.m.

Why is it that we can open our land and property market for all and sundry to come and purchase? What are they bringing? Is it the foreign exchange that they are bringing? Why are we not seeking, as a Government, to provide incentive legislation for locals to become owners of land? What is there within the tenets of WTO and globalisation that could prevent us from doing such, while at the same time we are allowed to encourage this form of incentive legislation to attract certain people to our shores but we do not have the right to introduce measures locally in the interest of local Barbadians? There is no difference between land and manufacturing in today's world. It is all a question of people being allowed to come and compete on one playing field.

Why is fiscal legislation even necessary? What are we really saying when we seek to extend the qualification period for tax holidays? If foreign manufacturers cannot come into Barbados and compete without these kinds of privileges, then they do not deserve to come to Barbados because the world is supposed to be now one big global village and this is contrary to the spirit of WTO.

It is not by accident that we have been asked to introduce value-added tax systems in the region. A value-added tax system is the quintessential example of breaking down barriers and allowing a free flow of goods where you cannot discriminate by way of who is consuming and where you are consuming, so that a foreigner can come and have food prices at the same level as locals or that you do not have consumption taxes which impose a higher tax on goods from non-CARICOM regions.

The introduction of VAT was as much a political move as it was an economic move. It is consistent with what is happening in Europe. The introduction of VAT systems across Europe was as much to do with the politics of Europe as it was to do with the economics of Europe because it was about creating an environment in which you remove discrimination and allow goods to move from one place to the other without having preferences on the basis of source. It is true that the rates may change but the structure of the VAT is ideal for accommodating what is happening worldwide.

As I said before, it is not by accident that the international organisations like the World Bank, IMF and the IADB promote VAT systems for developing countries. We introduced the VAT in the wrong way anyhow. We implemented the VAT on food in an incorrect way. We implemented the VAT on hotel accommodation that translated into increased cost to tourists, not to a reduction in cost, and what we are now doing is seeking to further facilitate foreigners. This is consistent with what happened two years ago with the Property Transfer Tax.

Asides.

SENATOR C. A. MASCOLL: The Property Transfer Tax was amended to allow a level playing field for foreign purchasers as well as vendors. Those who know what the Property Transfer Tax was before the amendment knew that there was some degree of discrimination in favour of locals. When it was introduced by the Prime Minister, he admitted that the amendments were being made in accordance with WTO agreement.

I cannot accept that a Fiscal Incentives Act of this nature is necessary or sufficient. It is not sufficient to reverse what is happening in manufacturing and it is not necessary because it goes against the grain and the spirit of all the other measures that are being put in place in order to open up to this new global and trade liberalisation economic order.

I am at a loss to understand what could have triggered this amendment to the Fiscal Incentives Act. I would like to hear the justification for amending the Fiscal Incentives Act at this point in time. I have heard no justification for it. I have not heard any justification in the presentation of the Leader of the Senate. I have not heard any justification when it was discussed elsewhere. I have not heard any justification anywhere from the Government's Side why there was an amendment to the Fiscal Incentives Act at this point in time.

Mr. President, I am very concerned that it will not assist the manufacturers. I know that the manufacturers have not responded to tax concessions over the last two years because they know that the future is not favourable to them. The future is bleak and they know that. They were criticised in this Chamber last week for not knowing of the existence of certain forms of concessions. Mr. President, they know about the concessions but they also know it does not make sense to approach the Ministry of Finance to get them because it is just a question of delaying the time of burial for most of the manufacturing sector – and we are beginning to see it.

I well recall last year making a public comment and being taken to task by other public commentators who happened to be in charge of Government funds, the Pan

Africanists and the like, when I said that if I were to advise the manufacturers where to locate in the region, it would not be in Barbados. I was saying it on the basis of what I understand and know. Now that what is happening in the manufacturing sector is happening, all I can do is sit back and relax.

Mr. President, I close on this remark. I will remain convinced of the training that I have received and that will inspire my conviction always in saying and doing the right things as it relates to the Barbadian economy because I am not in the business of public relations. I am not in the business of painting a picture that does not exist. I am in the business of telling it like it is and being able to analyse and see things as clearly as I see them because I do not cloud my analysis with political consideration. That can come in the aftermath of my analysis, but it cannot inform my original perspective on an issue. If the Other Side cares to, they can appreciate what I am saying, or they can pretend that what I am saying is false, but time has a way of revealing the truth. Time has a way of demonstrating to people who has been correct in the initial phase.

If there is one thing you cannot do in life is to run away from the truth. The wonderful thing about life is that even after death the truth confronts because it determines where you are located after death. I remain convinced at any stage in my political life that truth will guide me regardless of what is being said by the Other Side. It has always guided me and will continue to guide me in my political involvement.

Mr. President, I have no problem in speaking clearly to these amendments because I regard them as useless. I am saying that what is required of Government is for the Government to look at the environment in which the manufacturing sector now operates and do something to address the real problems that confront manufacturers and other areas of business in Barbados, but to extend the fiscal incentive tax holiday by four years is not the way to do it.

In fact, after reasoning for the last half hour, I can now say safely that I truly understand why this amendment came into being. It has come into being precisely because Government took six years to introduce the bound rates which were supposed to offer protection to the manufacturers and having taken six years and knowing that there are only four years left under the WTO agreement, they had no choice but to seek to put some other smokescreen in front of the manufacturers to entice them to continue a journey that will end in one result – death.

Mr. President, I thank you.
11.55 a.m.

SENATOR T. E. BARKER: Mr. President, I rise to support this Bill which seeks to amend the respective periods

of tax holidays in respect of approved enterprises. Sir, as shown in the Third Schedule, the period of tax holiday depends on the type of enterprise where the Enclave and the Group Enterprises, obviously, would get more time than the other two enterprises. Mr. President, we are comfortable on this Side with the extension and we note that the fiscal incentives relate mostly to the manufacturing sector, mostly but not exclusively.

Sir, before I go any further, for the benefit of Honourable Members of the Chamber, I want to put the perspective in relation to the national economy. We have heard that the manufacturing sector is dead and it does not contribute to the GDP. What are the facts? The facts are there, Sir, and I am referring to the Government's Report of 1999 which was laid in this Chamber in October, 2000. It shows that for the last 10 years or so, the contribution of the manufacturing sector has been stationary at around nine and a half per cent of the GDP. Almost 10 per cent of GDP comes from the manufacturing sector, therefore, I want to suggest, based on that fact alone, that we have to do what we must in order to preserve this important sector.

Sir, nine per cent of the GDP is not to be scoffed at. It is not insignificant. It is an important sector of the Barbados economy. Sir, this fiscal incentive change is not going to cost the Treasury much. If by this we preserve the life of an enterprise and keep some people in jobs, then, in my view, this extension is worth it.

Sir, I am again referring to the Report which states that more than 10 000 are employed in the manufacturing sector and it has been around 10 000 for a long time. There has been no significant decline or increase in the number of people working in the manufacturing sector over the last decade or so.

Sir, in the face of globalisation, and in the face of increased competition it means that we are doing okay to keep the level of employment in the manufacturing sector at a constant level. One would have thought that given the change in the international trade sector that we would have been losing a lot more jobs. Sir, I want to suggest that because of the care given by this Administration to the manufacturing sector it has caused this stabilisation in the level of employment in that sector.

Sir, I only have to look at the Government's statistics for this January, 2001, and it has an index called the Index of Industrial Production on Page 90. Sir, I am not the type of person to shoot the messenger if I do not like the message.

Asides.

SENATOR T. E. BARKER: Sir, the Index of Industrial Production showed that in the last six years or so

there was almost a 20 percent increase in production in the manufacturing sector. The Index which was 97.5 per cent in 1993 in the third of last year now stands at 120.0 per cent. Sir, that is slightly more than a 20 per cent increase as measured by the Index of Industrial Production.

Sir, we may quarrel about the Index and no doubt the last Senator would quarrel because he quarrels about anything that does not support his point of view. The Index, like any Index, measures the movement of the same group of enterprises over a period of time. It is showing that there is a 20 per cent increase in output in the manufacturing sector since we came into power, and this is verified by the fact that there has been some stabilisation in the level of employment in that sector over that period of time. I want to suggest that it is because of the care given to this sector by this Administration.

Sir, one of the first acts in 1994 when this Administration came to office, less than a month later, we saw that the manufacturing and construction sectors were stifled by unnecessary high taxation on their inputs.

Asides.

SENATOR T. E. BARKER: Sir, the indiscriminate way with which taxes and other duties were applied were hurting the manufacturing sector. It would not allow them to breathe far less grow. One of our first acts was the dismantling of that system and the removal of taxes on the inputs to these sectors. That is a fact, Sir.

I remember the Honourable Senator Mascoll decried the efforts ...

Asides.

SENATOR T. E. BARKER: Sir, the result is evident here today. We have stabilisation of employment and an increase of output by the sector. Sir, the removal of those taxes meant that these companies could increase their competitiveness and would be in a better position ...

SENATOR C. A. MASCOLL: Mr. President, on a point of order. In December 1994, the present Government reduced the import duty on manufacturing inputs from five per cent to two and a half per cent, which translated into a \$5 million savings for a billion-dollar industry. Sir, it was not the consumption tax on food because you never paid consumption tax or stamp duty on inputs. It was the reduction of the import duty from five per cent to two and a half per cent which was a mere saving of \$5 million for the manufacturing sector.

Asides.

12.05 p.m.

Mr. PRESIDENT: Senator Mascoll, you have made your point. Senator Barker please continue.

SENATOR T. E. BARKER: Sir, I accept his point. If Senator Mascoll meant the Excise Tax, well I stand corrected, but the point is that they had to pay it. Whether he is talking about the Excise Tax or Import Duties, or whatever, the fact remains that the Government removed the taxes on the inputs, and if I misled the Chamber, Sir, I do apologize.

Sir, the fact is that there was a tax on the inputs which this Administration in one of its first actions removed and, as a direct result, we saw an immediate improvement in the manufacturing sector to the extent where output has grown and the level of employment has risen. Sir, that is a fact.

Sir, the Honourable Senator mentioned energy cost and I had to smile, because our record on energy cost can stand the scrutiny of any right-thinking or objective person. The fact remains that the energy sector was used by the DLP as a famous milk cow. Whenever they wanted money, without thinking of the effect to the economy, the DLP raised the Consumption Tax.

Sir, when the DLP came into office in 1986 – I remember this clearly – the price of gasoline was \$1.15 per litre and Dr. Richie Haynes who was Minister of Finance immediately reduced it, but the fact remains that the price of oil, from which gasoline was made, did not reach any substantial increase during the period, but by the time the DLP left, by virtue of raising the Consumption Tax, they had the price being increased from \$1.15 to \$1.54.

Now, when the price of oil had doubled what it was when the DLP was in power – again, that is indisputable – we had sought to do two things. We had reduced the tax on diesel by 25 cents or more, and we had a similar reduction in the price of gasoline. We had removed both taxes on the inputs in the electric sector, whether it was diesel, natural gas or fuel oil we had removed that level of taxation. Not only that, Sir, the manufacturing and fishing sectors were able to get diesel and fuel oil tax free.

So what have we done Sir? We have significantly reduced or removed the taxes on gasoline, kerosene and fuel oil and the result is that our energy products to the manufacturing sector, the sector to which we were offering incentives, had decreased substantially and are now in a better position to compete.

Sir, as you know, if there are any increases, we have no control over the world prices in oil, we are mere takers. We buy at whatever price OPEC and the others decide, but what we have done is that we have controlled what we can, that is,

the level of taxation on our energy products and more so, the introduction of the VAT meant that the manufacturers got an immediate reduction because energy is basically an input to their operations and hence, any VAT they pay on refined products is returnable, given the nature of the VAT system. So the introduction of VAT has helped that sector by especially reducing the cost of that energy product.

Sir, he can ridicule this Government as much as he likes about energy prices but our record is there and we will not hold to anybody when it comes to energy prices because we recognize the pervasive effect that the price of energy has on the economy, especially on the productive sectors, so therefore, we have sought to reduce that effect on these sectors and that is why, as I said at the outset, we saw an increase in the Index from the manufacturing sector and also a stimulation in the level of jobs.

I am saying that a lot of it is due, in large measure, to the care we gave to the sector and also to the fact that we realized that this sector, even though it might be small and might be declining in terms of its contribution to employment, is still an important sector, because I, Sir, still like to see the “Made in Barbados” sign. When I can go into a store and see a good product with the “Made in Barbados” sign, it is a matter of national pride. I would hate the day to come when I can go through Bridgetown and other places and do not see any such signs. This is a personal thing, but I do not feel that we should just be known as a service economy, Sir. I feel we should do our bit to ensure that the manufacturing sector makes a contribution to the national economy.

That is why, Sir, even although we may argue that the tax incentives may not do what they are supposed to do yet, it remains a question of “every little bit helps” and if, by the virtues of this extension, we can persuade a few more companies... especially, Sir, when even although our gains in terms of employment are so impressive, we recognize that there is still, especially among our females, more to be done because we will not tolerate one person being unemployed in this country. We believe that we, as a Government, have the moral duty to do all that is within our power to ensure that everybody in this country who wants a job can find one, and we will not rest on our laurels, no matter how good they seem, so long as the level of unemployment is above zero.

We are tired too, of hearing about layoffs in the industrial sector and that is why we are doing our best to stabilize that sector, because whenever we hear about layoffs, especially among women, which means a few children given the nature of our social structure, this means there will be a few of them who will not be as well fed as they ought to be.

This Bill, in my view, will go some way towards making a The situation is that we are going to find it increasingly more difficult to stop competition, especially competition from imported goods. It is a fact of life because of the new World Order and the new movement in trade, which is making it increasingly more difficult for us to be competitive. So if we can give a few firms a little advantage by way of more fiscal incentives then it might be worth it in the long run.

Sir, I must make a comment on the point about interest rates. Everybody knows that interest rates are a cost of doing business and this issue about half per cent, I am sure that people do not fully understand, nor do they appreciate what is happening.

In the United States of America, there is an issue about a quarter of a percentage and we said, "but that is only a small bit," but in the sense, Sir, it might not mean much to a person who is saving \$1 000, because the half per cent might only mean \$5.00 or so, but think of the person who has to borrow \$200 000. Think of the person who has an overdraft of \$1 000 000. Just think what a half per cent in the rate of interest would mean to them.

This interest rate change came at a time when there was excess liquidity in the banking sector which meant that the Bank is taking money from John Public, paying him 4 ½ per cent on interest, but yet was not able to lend out the money because there was nobody to lend the money to, so obviously, it must impact on the banking operation.
12.15 p.m.

So that by reducing the rate, it is hoped that the banks will use it as an opportunity to lower the loan rate. It is in their self-interest, because 11 per cent of 0 cannot be as much as 10 ½ per cent of something. It is sheer mathematics that the more you lend, obviously, it would have a greater effect on the balance sheet. The half percentage point for people who do not understand it, would not sound like much, and I am not putting the former Senator in that category. The point is that when you think it through – he may not have thought it through – you can see the beneficial effect it can have on the economy.

Mr. PRESIDENT: Senator Barker, I suppose all this relates to fiscal incentives.

SENATOR T. E. BARKER: Yes, Sir, because the point was made that the interest rate is another way of making sure that the business activity is kept. It is almost an incentive.

Sir, I just thought I would speak to that point because when you hear erroneous statements, you like to set the

record straight. You do not want to let it fester because people reading Hansard would wonder how come nobody challenged him on that point. I feel I owe it to this Chamber to make sure that I set the record straight.

Sir, I want to end by saying that I support this Bill and I see it as just another way of the Government doing all in its power to ensure that the important manufacturing sector which, as we said, contributes over nine per cent to the national economy is kept going and also, that everything possible is done to ensure its viability.

In this regard, I urge this Honourable Chamber to support this Bill and that by doing so, we are sending the signal to the manufacturing sector and the other sectors that we in this country mean business about getting our economy going and keeping it strong.

Thank you very much, Sir.

SENATOR Mrs. P. E. RICKINSON: Mr. President, I rise to support this Bill but, in my view, I think it needs to be seen as a stop gap for now. Like Senator Mascoll, it is my view that the Bill needs upgrading in keeping with the new world economy order and the e-commerce that we have been talking so much about recently.

I think we should not look so much to groups of enterprises but also use the word, "industry". If we use the word, "industry", we will be able to categorise it in terms of products and services which will be more in keeping with today's e-commerce, or, we could even think in terms of jobs, giving people tax holidays in terms of how many jobs they are creating.

Mr. President, another point I would like to add is the need to address the transfer and disposition of assets at the expiration of tax holidays. I am saying that because recently we have witnessed some firms which have completed their business and left some of the workers in the lurch and they demonstrated because their wages have not been paid. I think, perhaps, we need to look more carefully to see what we can do regarding the disposition and transfer of assets at the end of the tax holidays.

Sir, I say again that I support the Bill, but I think we need to go further. We only need to use it as a stop gap and get on board with the new economic order and e-commerce.

Thank you, Mr. President.

HIS HONOUR SENATOR C. L. BOLDEN: Mr. President, I, like Senator Rickinson, rise to support the Bill and feel that this is just a temporary measure as far as Barbados is concerned.

Senator Mascoll raised several issues about businesses, or you may say enterprises, which left our shores and have departed because the cost of doing business is higher than even in the other CARICOM countries. I think we need to look at the Bill which is now before the Chamber and then look at the First Schedule. I think Senator Mascoll missed that point because if one looks at the Bill before the Senate, one will see what is called "approved products".

In chapter 71A, "approved products" mean "a product of manufacture approved by the Minister under section 6", for manufacture by an approved enterprise, but it does not include a product specified in the First Schedule or a product of an established industry.

When we turn to the First Schedule, we will note that the things which affect us most in the Caribbean are the things that are excluded and, in the World Trade Order, I think we have to look at home base. I think the Barbados Government has to go back to the CARICOM negotiating table, draw these to the attention of Ministers in the region and come up with a new form of incentives for enterprises in Barbados and the CARICOM.

Senator Mascoll talked about the aerated factories that left Barbados but he does not realise, or did not appreciate, that they did not fall under "approved industries". It is patently clear that things which appeared in the First Schedule should now be removed. If we look at the very first item in the First Schedule, it said "aerated waters".

If we look at what happened to Bim Beverages when Bim Beverages passed from a local company into the hands of a CARICOM company and the Director said that it is cheaper for them to manufacture in Trinidad and ship into Barbados, it meant that in Barbados itself, we lost an enterprise that employed Barbadians. The same thing happened to the Ju-C factory. We have lost enterprises which are now operating from other CARICOM countries to the detriment of workers in Barbados.

Sir, I think that any fiscal incentives now have to take into account what is happening at home first and then the other countries in the region. I would like to see more of a compromise, or a wider Bill, which would encompass things other than manufacturing in terms of fiscal incentives.

Sir, Senator Mascoll spoke about the whole rationalisation of business in Government – public sector reform. Now, this may seem strange, but I have a feeling that Government has to sit down with the trade unions and say to them, "look we cannot get productivity in this country unless you agree that civil servants must do a fair day's work for a fair day's pay." That is my feeling and I will tell you what is happening.

12.25 p.m.

We talked about public sector reform. I went to the Barbados Water Authority (BWA) in the Pine about three weeks ago and as you step in the door at the Pine there is an office on the right-hand side and there was a lady with a phone at her ear. My client and I stood up there for at least five minutes before she would even look down to see us. When I said what we wanted, she said, "go in there." We went into the next room where there were people lining up paying bills and there was another lady in another office with a phone at her ear and I overheard her saying, "I gine see you tonight, where we going", and there were people waiting for business to be done.

When we did get through to her, and this is in respect of a client whose water was disconnected, he paid the bill four days before and his water was not reconnected, I told her my client is here to get his water reconnected after paying the bill four days ago. She said, "leh me see the receipt." I handed her the receipt and she said, "dat din pay here, dat pay in town so go in town, and we don't cut off water. You got to go to Eagle Hall." I said, "excuse me Ma'am. Do we have three Water Authorities in Barbados?" She looked at me, put back the phone to her ear and went back talking.

Now, we can only increase productivity if those who are employed make a conscious decision to increase productivity. That is the first thing we have to do. We have to impress upon workers in Barbados that in this day and age it is no longer possible for us to take things in a lackadaisical way because it will affect each and every one of us in terms of our own employment and it will in turn affect the general well-being of the society.

Now, if you look, as I said, into the First Schedule you will notice that we have lost two aerated drink factories from Barbados and that is why I say I would like to see a comprehensive Bill granting incentives across the whole spectrum of what we do in Barbados because there is no doubt about it, our utility cost is about the highest in the region and we have to start with the utility cost because from the time you draw or send a vehicle into the Port, you run into the use of your oil prices, your electricity prices, your telephone prices and everything which affect what we produce in this region.

When you look at the First Schedule, excluded are "automobile mufflers" which we can produce in Barbados but we need the necessary capital to set up the business and we need the incentive to keep it going. I can tell you this. Years ago, I worked for an Englishman who came here and started a company called "Long Life Mufflers" while in Jamaica. He was able to import three presses into Jamaica from England because he worked with the Forde Motor Company in their drawing office. He went to Jamaica on holiday and saw the Steel Company had all of their steel

wrappings in a corner and he was clever enough to negotiate a price with them for dumping it for them. He then went back to England, brought the machines and started producing mufflers from what he was being paid to dump and selling it to the market. When his period of incentives was up, the Jamaican Government realised that he had pulled one over them and refused to increase the incentive.

He went to Trinidad and Tobago and did the same thing but on the second period up walked a man who told him he came to buy the business. He said to the man, "but I am not selling." The man said to him, "Yes, the Minister sent me to you to buy the business." He said to the man again, "but I am not selling." The man said, "okay, you will hear from the Minister soon." The man went back and within an hour the Minister called him and told him that he is selling. He said, "Well if I have to sell, I will sell but at my price." The Minister said to him, "it does not matter but you are selling and you will have to spend a year to teach my people how to run the company."

He came to Barbados, you can check the Corporate Registry and you will see a company named "Long Life Mufflers (Barbados) Limited," and when he tried to get an incentive here, because of the agreement, they said he had incentives in Jamaica and in Trinidad and Tobago so he cannot get incentives in Barbados. I can tell you the company in Bridgetown that bought the presses from him. Do you know what he told me? He said, "I have made enough that I can go back to England and put up my foot and retire. My wife is a young actress and she wants to go into television and I have more than enough to keep her there for the balance of my life."

Now we cannot get incentives on automobile mufflers in Barbados because of this Act because those who advised the Government do not really have the interest of the people at heart. I have said openly before that they get paid on the 24th and the 25th of the month and they do not care what happens after that whether we like it or not.

If you look down the First Schedule you will see that if we had a comprehensive Bill looking at what Barbados needs today, we can create employment, we can create businesses and we can then be a little better off than we are today. All one has to do is to look down the Schedule.

Beer! A lady told me last week that she went to a nightclub in St. James and drank imported beer at \$12 a bottle.

Asides.

Yes, there is a new German beer on the market which is selling at \$12 a bottle. Let us ask ourselves this simple question. Are we just a market for other people to sell their

products and our people here who would like to get into this business cannot get into it because there is not the necessary law to give us the fiscal incentive and the support we need to manufacture the same thing as others?

I will tell you this. Do not let us believe that even under the World Trade Organisation that we can export anything to the United States of America. Do not fool yourselves with that because I was involved in a business here and by the second year if you get past one entity in the United States of America you would not get past the next. We had gone to the United States of America and cleared everything with Customs and the tax people but one day a customs officer in Miami decides "huh-uh, it does not matter what the IRS tells you, I am holding these here for duty" and that killed the business in Barbados.

Go up to the Ministry of Agriculture and Rural Development and ask them if we can export anything agricultural out of here to the United States of America and how difficult it is. I will give you a better one than that.

I am an importer of exotic birds. The United States of America has a habit of going all over the world picking up what they want and then telling you that they are on the endangered species list. Ask Senator Laurie. He will tell you that they are on the endangered species list but you must now buy them from them because they are now hand-raised or home raised. Ask Senator Laurie if that is not true.

We cannot export one to them and we have people in the Ministry of Agriculture and Rural Development who will sit down and tell you that the United States of America Government say that you cannot do this so you cannot do it. That is what happens. You go up there and you have to fight with them day and night and they will look at a paper and tell you, "oh the United States of America says this," so once they say this you cannot do it.

We sit down in our country and have to labour over all these problems and I think it is time we really and truly should ask ourselves whether we are a free nation and if so, free from what, because when I saw this this morning I said I have to look at all this, Mr. President.

Concrete blocks! Ask anybody in the building industry if you can call any block supplier in Barbados and tell them you want 600 concrete blocks tomorrow. They will tell you that you have to wait three weeks and one company will tell you straight that you have to wait three months to get an order of concrete blocks. Now if I wanted to produce concrete blocks, I could, but the strange thing about it is this. I can produce concrete blocks because the sand is available in Barbados, the cement is available in Barbados, the labour is available in Barbados and the water is available in

Barbados but I would not be able to get the capital to set up the plant. If I go to the bank, the bank wants a long projection. What fiscal incentives do I have? None. Go and ask the manufacturer of clay bricks in Barbados and he will tell you that his cost in Barbados is high because the inputs are higher, but you can go into Trinidad, buy the same red bricks in Trinidad, ship to Barbados and put them at your house at literally one-third of the cost. Then we will hear that you cannot get fiscal incentives to do this. Sir, we will end up eventually as a receiving country and not a production country.

12.35 p.m.

Aside.

HIS HONOUR SENATOR C. L. BOLDEN: No, I am not a Dem. I am a Barbadian. I will never be a Dem because you have no Leader.

Yes, Mr. President, we need to take another look at what we call fiscal incentives. When we look at the categories as are set out in the Third Schedule, which is actually being amended today, you have different periods of incentives for different items. I think all of this needs to be rationalized in the present day order of what we are doing.

Also, I think that any amendment of this Bill would be to the benefit of the country and we have to sit down with CARICOM and point out to them where we have all gone wrong. I think we need to step back and look at this again. I think the Prime Minister, whom I consider to be very clever, will have to call a meeting and, as we did with the Ship Rider's Agreement, point out to them that they are usually too fast to accept what comes out of the United States. I think we really and truly have to look at something like this.

Mr. President, I thank you and I support this Bill.

Mr. PRESIDENT: Senator Laurie.

SENATOR C. K. LAURIE: Just a small intervention, Mr. President. I would like to support what Senator Bolden said and also suggest, for instance, that any material we produce here we must add value to it. Those are the things that will get the best incentives.

If you wanted to take sugar and do something with that to produce confectionary or whatever, and using all local materials, then one would think that would get the highest priority. If you want to take limestone which is available and do something with it, again that should be a priority. It is very strange that these are not zeroed in and given special incentives. I think that is something which we should look at concerning incentives.

SUSPENSION

SENATOR THE HON. G. S. H. MURRAY: Mr. President, I beg to move that this Senate be suspended until 1.45 p.m. today.

The question that the Senate be suspended until 1.45 p.m. was put to the Senate and agreed to and Mr. PRESIDENT suspended the Sitting accordingly.
12.40 p.m.

RESUMPTION

Mr. PRESIDENT: This Sitting is now resumed.

SENATOR THE HON. G. S. H. MURRAY: Sir, I am a great supporter of this measure because it is a recognition of the fact that, as Senator Barker so clearly and graphically depicted in his presentation the facts, figures and all, that we still have to do something to keep the sector going despite the fact that it might have been down-scaled over the passage of time. Apart from that, Sir, I think we cannot afford to scoff at the question of these types of incentives, although I would admit that the circumstances of Barbados and the world have changed. There could probably be a case where a new look has to be taken at the whole question of incentives, re-designing and reconfiguration of the whole spectrum of incentives.

Sir, I was somewhat aghast at Senator Mascoll's hostility virtually to the whole question of incentives. At one time I thought he had changed his Party because he was reflecting the philosophy of another Party. That Party in the passage of time had almost given away the house, or Barbados, to certain investors regarding the question of incentives, for example, Sir, at Westmoreland where the incentives were such that those principals will now only have to pay taxes when they have built their last villa whenever that is. They will be the ones who will determine when the last villa will be built. So that is the question of how the DLP Government dealt with the question of incentives.

Sir, also to hear Senator Mascoll try to berate the Barbados Labour Party Government on the question of taxation and that it could have sought to increase the national productivity effort through other taxation measures. I happen to recall, Sir, that when the Barbados Labour Party came back into office in 1976, the whole question of the improvement of the taxation system in Barbados really began with the Barbados Labour Party, especially as it affected Income Tax. When we came back into office in 1976, it is a matter of public record that people began to pay Income Tax on \$96.00 a month, and over ten years we raised it to \$12 000 up to the point where we had the \$15 000 back-raise give-away.

The economy had systematically improved, expanded and diversified and put more money back in the peoples' pocket by changing the taxation system. We have a record of trying to motivate people and giving incentives to work hard, save and invest through the use of adjusting the tax system.

Sir, Senator Mascoll sought to read off the lay-offs and shut-downs that have been occurring. I might note on this point that while he is talking about shut-downs, he is not talking about businesses that are opening. Openings and shut-downs are a nature of business. Business is a dynamic field. Some open, some expand, some close and some contract and businesses, by their very nature, cannot start in one place and go on in perpetuity. If I did not know him better, I would have thought he was being gleeful, especially being a good Combermerian, that he would not have been gloating over any lay-offs or shut-downs that are occurring in the sector.

Sir, when Senator Mascoll seeks to categorize the offshore sector as an area which only made a few rich people richer, I ask myself if it is so bad, are we to expect when he becomes Minister of Finance of the DLP Government that he will scrap the offshore sector? Would that be one of his first acts? These are some of the thoughts his presentation generated in my mind.

Sir, I found too that beneath all the talk of incentives and Gross Domestic Product, I began to detect an anti-foreigner sentiment emerging. In the same way, Sir, that the small man is often synonymous with black, then anti-foreigner is synonymous with anti-white. I am wondering therefore if this is not the kind of road in which this country, that has always opened its doors to people from all over the world of all shades, was going to be going. I, therefore, think that we should take note of these things before it becomes a trend that will bring great harm to Barbados.

Sir, after listening to Senator Mascoll, you may remember that he has been a prophet of doom and gloom for so long, and he has been a boy figuratively, not literally, for so long that while he maintains that trend, his track record would mean that we have nothing to worry about. Despite all what Senator Mascoll was able to show by quoting from the official statistics, he refused to be confused by the facts, figures or objective factors. Therefore, we, as a Government feel, Sir, that this is a measure that will in some measure help the manufacturing sector in its activities. We do not see it as a panacea for all the ailments of this sector. It is dynamic and things obviously will have to be adjusted or something else will take its place as time goes on.

1.50 p.m.

We feel that this is a very useful measure and that it will achieve its objectives and that it will have an impact on

the sector while other things are done to give the sector the kind of vibrancy as it would require, given the changing nature of the world, the changing nature of manufacturing and the changing nature of life in Barbados in general.

Sir, I therefore give my wholehearted support to this measure and beg to move that this Bill be read a second time.

SENATOR LeR. H. MCCLEAN: Mr. President, I would like to make a brief comment on this Bill at this time and to reflect on some of the views expressed by previous speakers. I heard Senator Barker reel off a number of figures with respect to the increase in the growth of the manufacturing sector over the past six years and he has indicated that the manufacturing sector has increased by some 20 per cent since the Barbados Labour Party became the Government.

The proof of the pudding is in the eating and I am sure that, given the views I have been hearing from persons in the Manufacturers' Association over the past few weeks, these views certainly do not convey the impression that manufacturing is doing that well. Regardless of what the Senator wants to say about the growth in the sector, the persons who are involved in it are saying that it is not doing well and they have identified a number of reasons for it not doing well. Chief among them is the cost of doing things in Barbados, particularly as it relates to the cost of energy. It is really a bit strange to hear that the sector is doing so well and energy costs are low but yet the persons involved in the sector are constantly complaining about this.

I would like to indicate that the Fiscal Incentives Act does not only refer to products but also to enterprises. The extension to the Schedule shows that enterprises are also involved, and one only has to think of a company like BRC. That is one of the companies which has benefited significantly because of the benefits that were conveyed, not necessarily directly out of this Act, but using the same system of providing incentives for the growth of companies.

Senator Murray made the point that Senator Mascoll was gloating about layoffs. I don't think...

SENATOR THE HON. G. S. H. MURRAY: On a point of order. I did not say he was gloating. I said if I did not know him better it would have seemed to me that he was gloating.

Mr. PRESIDENT: That was a point of elucidation.

SENATOR LeR. H. MCCLEAN: Mr. President, I did not get the impression that he was at all gloating but that he was merely stating the facts, that there are, in fact, significant layoffs at a time when Government is saying that the sector

is growing. The Honourable Senator seems to have been engaging in a bit of clairvoyance when he made the point "when Senator Mascoll becomes the Minister of Finance in a next Democratic Labour Party Government". I wonder whether he has come to some realisation that that is something which will happen soon.

Aside.

SENATOR LeR. H. MCCLEAN: ... Oh, you are coming over to the DLP?

Mr. President, I believe the Honourable Senator is seeing something which probably some of his colleagues are not seeing and that he anticipates that Senator Mascoll will be Minister of Finance under a DLP Government very soon.

Mr. President, on this whole matter of fiscal incentives, I think the precursor to this system would have been the industrialisation by invitation which was practised in the earlier days where companies were encouraged to come to our country to set up what was then referred to as "screwdriver industries" in order to help to generate employment and create some diversity in our economy rather than relying solely on agriculture. This Fiscal Incentives Act really seems to be the logical step from that process.

I would think, therefore, that we have reached the stage when we also in the same way that we had to re-examine the industrialisation by invitation need to re-examine the whole matter of the Fiscal Incentives Act, as was pointed out quite clearly and eloquently by Senator Bolden. We have reached the stage where, as was put by Senator Goddard, there are other locations that have become more liberal and are offering better things and we need to catch up with them or match them. We need to examine what we are looking for and what other incentives we are going to offer to these people in order to get them to come to Barbados.

One would hope that no one in Barbados is giving some of these companies the impression that we will go soft, for example, on the right of workers to be members of trade unions. I have noticed that that has been one of the burning issues for some of the companies which have been allowed to operate in Barbados. They seem to come in with the view that our workers do not have a right under law and there is some debate on this and, apparently, there is no legal right to be a member of a trade union. That, I hope, is not one of the drawing cards that will be used for bringing such enterprises to Barbados.

The whole matter of the fiscal incentives, Sir, will have to be put in the context of what is the next stage in our developmental process that we would like to move to. Is it that we merely want to offer tax holidays or, as Senator

Mascoll pointed out, we continue what, in effect, is a form of discrimination against our local companies which want to develop. The Fiscal Incentives Act is only beneficial to companies which are making profit. If you are not doing well, if you are not making a profit, then you do not pay these taxes. Only companies that have to pay taxes would benefit from the Act.

Barbadian companies can be given some incentives to produce more not only for export, because even though we want to generate foreign exchange, we also need to generate the capacity to supply ourselves with some basic needs. I think Barbadian companies that are in a position to do this should also be given the necessary tools and incentives in order to improve the lot of the manufacturers in Barbados.

Briefly, Mr. President, I just want to point out that whereas the impression is being given that manufacturers in Barbados are doing well, and that in some way this amendment will contribute to this continued so-called prosperity, I think the contrary is the reality, that manufacturing in Barbados is not all good. The manufacturers are complaining and they are making it clear that they are not doing well and, therefore, it is difficult to understand how Government could feel justified in putting forward the view that manufacturing in Barbados is thriving. It has died and we hope that Government can have the foresight to ensure that something is done to plug the holes that have been created as a result of this.

Thank you, Sir.

2.00 p.m.

SENATOR THE HON. G. S. H. MURRAY: Mr. President, I move that this Bill be read a second time.

The question was put to the Senate and agreed to.

On the motion of SENATOR THE HON. G. S. H. MURRAY, the Senate resolved itself into Committee on the Bill, HIS HONOUR SENATOR C. L. BOLDEN in the Chair.

COMMITTEE

Mr. CHAIRMAN: THE Senate is in Committee.

Clause 1 was called.

SENATOR THE HON. G. S. H. MURRAY: I beg to move that Clause 1 be amended to read "This Act may be cited as The Fiscal Incentive (Amendment) Act, 2001, instead of The Fiscal Incentive (Amendment) Bill, 2001".

The question was put to the Senate and agreed to.

Clauses 2 and 3 were called and passed.

On the motion SENATOR THE HON. G. S. H. MURRAY, Mr. CHAIRMAN reported to His Honour the PRESIDENT the passing of one Bill in Committee, with one amendment, and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motions of SENATOR THE HON. G. S. H. MURRAY, seconded by SENATOR Miss C. Y. FORDE, the Bill was read a third time and passed.

PAPERS (RECOMMITTAL)

SENATOR THE HON. G. S. H. MURRAY: Mr. President, I am commanded to lay the following document:

The Curriculum 2000 Rationale and Guidance for (Curriculum) Reform.

SUSPENSION

SENATOR THE HON. G. S. H. MURRAY: Mr. President, I beg to move that this Sitting be suspended until 2.15 p.m. today.

The question that the Sitting do now suspend until 2.15 p.m. today was put to the Senate and agreed to and Mr. PRESIDENT suspended the Sitting accordingly.
2.10 p.m.

RESUMPTION

Mr. PRESIDENT: This Senate is resumed.

ORDER NO. 4 – EMPLOYMENT (MISCELLANEOUS PROVISIONS) BILL, 2001

SENATOR THE HON. P. C. GODDARD: Mr. President, I would like to apologise to the Honourable Senate for my delayed return to the Senate Chambers. I was engaged in very important business relating to our HIV/AIDS Programme and the private sector response to that Programme. I do apologise for the delay in my return.

Sir, regarding the amendment to the Employment (Miscellaneous Provisions) Bill, this legislation relates to the Convention that was signed by the Minister of Foreign Affairs on November 17, 1999 and the International Labour Organisation registered the formal ratification of Barbados on January 4, 2000. This Convention defines a young person of not less than 16 years of age and determines the definition of a child and young person relating to those people that make up the work force in the business community in Barbados.

The Act redefines "child" as meaning a person who has not attained the age of 16 years and a "young person" means a person who has attained the age of 16 years but who has not attained the age of 18. This Convention prohibits children from working in hazardous and industrial environments and also regulates the ways in which young people must be treated in the work place.

Sir, in today's day and age in Barbados, this may seem to be somewhat anachronistic. However, examples of child labour around the world abound and it is important that Barbados be seen as having legislation that really codifies what we consider to be rational behaviour. It brings Barbados firmly into the group of nations that define the various human rights that individuals have and that protects the young in this instance and the old in other instances.

While we might think that child labour is not prevalent in Barbados or not usual, there may be instances where young people may be put to work in hazardous positions, for example, in quarrying or working with heavy duty equipment. The most glaring example of child labour was aptly demonstrated just a few weeks ago when a school in China suffered a massive explosion that killed approximately 50 people, most of them young children. That school was engaged in the manufacture of fireworks for the profit of someone else.

Sir, this is a current day example of the sort of problems that this legislation and this Convention are aimed at. Barbados, as one of the communities as part of the United Nations, is regularising the legislation to ensure that we set an example to the world and join that critical mass of nations that brings about global change to the benefit of young people in the global society.

While this is not a massive piece of legislation and it does not affect many people in Barbados and possibly none, I would hope, and it is even so very important and part of our global civic duty in establishing the codes of behaviour, and the codes of industrial standards we intend to set and hope will bring pressure on other nations to move in this direction as well.

Mr. President, this is not aimed at the home business, or this is not aimed at somebody helping out in a shop owned by their parents. My own experience and that of some Honourable Senators in this Chamber in the area of developing an early work ethic prior to the age of 10 is something we should not assume. Therefore, I see nothing wrong with a child being asked to milk a cow every morning, to pick okras before the sun gets too high or to help out at a shop and learn to be a cashier at the age of 11 or 12 where it would improve their mathematical and computational abilities.

Mr. President, I, myself, did many of those things, and I do not think that this legislation would impact on preventing people from learning an early discipline to normal work. What this is aimed at is preventing children from being engaged in hazardous work, working around equipment that could cause the loss of a limb, eye or possibly a loss of life, as I drew an earlier example.

Therefore, Mr. President, while this will not impact on many people in Barbados, it may prevent abuses in the future and it certainly will draw us into a community of nations that are establishing a code of conduct in industrial procedures.

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

SENATOR LeR. H. MCCLEAN: Mr. President, given the context in which the Honourable Senator has placed this Bill, I have no difficulty in supporting it. I think that Barbados generally has a very good record with respect to matters of this nature and certainly, though we are signatories to the Convention, it is not a matter that we can say has been a problem for us.

However, I would like to indicate that there are some other factors affecting our children which I think we should pay closer attention to because child labour is not the only means of ill-treating our children. Very often we do things we believe are not dangerous to children but they have long-term psychological effects and turn out to be just as hazardous as the conditions of which the Honourable Senator spoke in his presentation, one of these being the manner in which some parents deal with their children.

The lack of proper supervision of children, particularly under the age of 10 and even those in the early teens, are being left on their own. We have what the Americans refer to as the "latch key", where children from a very early age have keys for a house and they can move freely whenever they choose to and very often their parents do not know their whereabouts.

Sir, you see more and more on the streets of Barbados children of an age where it is unbelievable that these children could be out on the streets alone. Sir, at times one certainly has to wonder where are the parents of some of these children. When these children find themselves in problems with the law or being used or abused by other persons in all kinds of activities, then the parents wonder how it happened. I think that it is a great disservice to our children to permit things like this to happen and we need to make the parents accountable.

Sir, in the United States greater emphasis is being put on juvenile crime. The argument is that if you can stop the problem at that stage, then you will not have to deal with it

later on. If we continue in that trend, what we will be doing is producing persons who will turn out to be deviants in our society, and parents will then have all kinds of excuses as to what has happened and looking for all kinds of people to blame when, in fact, they would have contributed to creating the problem which we have.

Sir, this is just one area of concern which I want to raise with respect to this matter. I think that, generally speaking, Barbados has a very good record with respect to the manner in which we deal with our children.

Thank you, Sir.

SENATOR Mrs. P. E. RICKINSON: Mr. President, on behalf of the labour movement I would like to congratulate the Government for being signatories to this Convention. Sir, the ethics for children is of school work and not legal work, one of training them to value jobs in life which I think is a good thing and one I would like to see continue. What I would like to see, Mr. President, in addition to this Convention are penalties, which are not available and if they are available they are not known, for the sale of alcohol and cigarettes to children under 16 years of age because one could sometimes see people sending little children to the supermarkets to buy alcohol and cigarettes and that is one area where I think we can implement changes...
2.30 p.m.

Aside.

Mr. PRESIDENT: Order, please.

SENATOR Mrs. P. E. RICKINSON: Mr. President, this is my opinion I am giving on the way I see things. I do not know if it is possible, if it is not, so be it.

I would also like to see the ratification of the ILO Convention 149 on employment and working conditions for nurses and ILO Convention 161 on Occupational Services in general which go beyond the children and which I feel is very necessary and essential to the health of our workers.

Mr President, since we have become signatory to this Convention, I sincerely hope that we would examine products that are made by children under 16 years of age and refrain from importing them. I do not know with the WTO's new world order how this is going to work, but I sincerely hope that we would try to advise the people of Barbados not to purchase any products that have been manufactured using child labor.

So in this respect, I think we need to mount a massive educational programme to let people know that we are signatory to this Convention, how they can help implement

this Convention by not purchasing goods manufactured by child labour. It is very easy to find out about what goods are manufactured because one only has to go on the Internet for information.

With this Mr. President, I do support the Bill.

Mr. PRESIDENT: Senator Bolden.

HIS HONOUR SENATOR C. L. BOLDEN: Mr. President, while I am going to support the Bill on the basis that it is part of our international duty, since we belong to the United Nations and since we are required by being a member to support the Convention which is sponsored by the United Nations, I want to make it quite clear that I think that sometimes we plunge ourselves into things that really do not concern us.

I believe child labour went out in Barbados from the time the late Sir Grantley Adams took to the political platform to advise against employing children in the field – third-class gang with a 2-P hoe. Therefore, we do not have to worry about that. That is part of an international obligation. But I have to differ with Senator Rickinson that suddenly there are some organizations in Barbados who do little or no research, get access to the media and are spouting things that are totally out of context in our society.

When Senator Rickinson talked about how we should stop sending our children to the shop to buy a pack of cigarettes or a bottle of rum, in my view, we are hanging on to something that does not affect the children as such.

I was born in Massiah Street, St. John, opposite a rum shop and when my father had friends at home, he would say, "Son, run across the road and buy a pint-and-a-half bottle of rum for me", but that did not dare me to open the pint-and-a-half bottle of rum and drink, or to open the pack of cigarettes and smoke one. It is a question of how we bring up our children from the very beginning. We have abdicated our rights to control our children and now we find all kinds of excuses to blame children for what is happening in this society...

Aside.

HIS HONOUR SENATOR C. L. BOLDEN: Exactly, as I have said before, we send people out to Sweden and those places and they come back here and talk about children's rights.

I was amazed last December while I was in Bridgetown a woman walked in a shop with a child who was running all about the shop, pulling at everything. The attendant in the shop spoke to the child's mother and asked her to stop the

child from running around the shop because if it broke anything the mother would have to pay for it. You should have heard how that mother behaved. You would have believed that the attendant had committed the most violent act against that child. Rather than speaking to children and educating them in the proper way of life, we find all kinds of excuses to what is happening.

I would have been glad if most of us in here had listened to the Call-in Programme yesterday and heard a Jamaican telling the Moderator what is happening in our schools, where she said a Jamaican teacher said that she is retiring early because the whole concept of control in school has broken down. She said that the teacher is afraid of the Headmaster. The Headmaster is afraid of the Principal of the Board. The Chairman is afraid of the Board. The Board is afraid of the parent and the parent is afraid of the child. Now, if it is true, we are in a sad position. Let us bring back control to young people.

This is out of context, but I beg you, Mr. President, to bear with me a minute. I read ever so often in the newspapers there is an organization called "Road Traffic Safety Group" and every week they are in the newspaper talking about seatbelts, alcohol driving, *et cetera*, rather than analyzing the things that matter, and it is so strange.

I deal with traffic accidents every day and I can stand here and say that a week does not go by that somebody who is wearing a seatbelt in Barbados gets in an accident and is injured by the very seatbelt they are wearing. The organization does not understand the very nature of a seatbelt, but they read something and can find a media, so they talk foolishness. Seatbelts are not for places like Barbados. They are for places like the United States where you drive at 70 miles an hour so I do not understand. We must rationalize what we are doing and what we are saying. I keep saying that Barbados is a unique society and rather than jumping on every band wagon that is going, let us sit down and see what our society really needs, and let us attend to the genuine needs of our society. I thank you, Mr. President.

Mr. PRESIDENT: Senator Rock.

SENATOR the Rev. L. W. B. ROCK: Mr. President, I just want to make a very small contribution, particularly in reference to what my colleague, Senator Bolden has said.

I am afraid that I cannot support him in the comments which he made with respect to the matter of child labour not being our concern, because in Barbados, we are free of it.

I think Sir, there is a danger which we must avoid and it is the danger of complacency. We thank God that, in Barbados, as far as we are aware, there are no instances of

child labour, but I do not think we can sit back and presume that it will never happen because it does not presently exist here. There are a lot of things that are taking place in our society today that many of us would have said it would not have happened here and so there is that danger of complacency.

The other point I want to make is that we belong to a global village and whatever happens anywhere is our concern here and we cannot lose sight of that perspective. If in joining and supporting the Convention we are condemning child labour in Barbados, I believe we are also condemning child labour in every other part of the world, and this is the perspective I feel we must bring to it and must state very boldly that this is the stand which we take as a small country in a large world, that what we say matters.

I feel in this legislation which we are discussing at this moment, Sir, our support of it is making a statement, saying that we condemn child labour as something which is in violation of rights of children and not just for ourselves, but for the world. I wholeheartedly support the Bill that is before us, Sir.

Mr. PRESIDENT: Senator Forde.

SENATOR Miss C. Y. FORDE: Thank you, Mr. President. I, too, want to add my support to this Bill and to make very brief remarks.

Senator Bolden has already touched the third-class times of the '30s and '50s in which many of our foreparents would have been members and that would have been the tradition and part of our development as a society. However, during 1978 there was an amendment to what would have been previously the 1951 Protection of Wages Act and that Cap. 346, the Amendment was made for "children under 15 years..."

Mr. President, you will appreciate that in 1976 there was an effort to ensure that children were kept in schools compulsorily up until the age of 16 and I think this is where this background is coming from because we expect our children to be in schools up until 16 and thereafter they can go to tertiary institutions – the Samuel Jackman Prescod Polytechnic, the Barbados Community College, *et cetera*.

I support what was said by Senator Rock relating to our involvement in the whole world because you would appreciate that there are a number of other countries. I know for sure that we are all aware that in a number of other countries there is a lot of enforcement of child labour, but my concern at this time is to do with the protection of our children, particularly in our global setting when it comes to prostitution and pornography.

Many of our children are leaving schools – I am not saying that it is happening in Barbados today, but indeed there are snippets of information that are coming to us that lead us to believe there is the possibility that many of our children are not adequately supervised from within the homes and, therefore, the visit between school and home does not always say that this child gets to school. Where that child goes, we do not know, and I think this is a good amendment that will ensure that our children do not get too involved in prostitution, pornography and other forms of activities to inhibit them from taking advantage of whatever facilities are available to them during their youth.

The point that was made by Senator Goddard is important where we are not talking about a child in the home community doing errands and being given an allowance for doing so, because indeed for me, Mr. President, this is how we were brought up. We would do chores, just like it is done in the Boys' Scouts, who take a special day to do their bobby-jobbing because it creates allowances that will assist the community in the growth and development for that kind of activity.

Indeed, as children we were involved in working on the plantations or on our own private plot of land, reaping sugar canes, yams or planting corns, or whatever form of activity and that was a way in which our parents taught us how to be well disciplined, something that is very lacking in today's society.

It taught us how to become industrious, and to earn money. It must be done in an honest way. In essence, it taught us pride in working and I think it is important that our children still get involve in activities of this nature and generally, people do not see it as child labour. There are many things that our young people can do to help make them productive citizens, but because someone in another country said that it is not to be done, then we do not pursue it.

Mr. President, within our secondary schools, there is something called "The Work Experience Programme" which is integral to preparing the 14 and 15 year-old students from the fourth and fifth forms and giving them an insight into what the world of work is like.

2.45 p.m.

This Bill is not referring to that kind of preparation but it is to do with putting our young people into a contractual situation with a company and exploiting them in the process. I think that is the gist of it.

I want to commend the particular Ministry for getting involved in ratifying it, letting us sign that Convention so that those countries that have this as a really big, major problem will see that we are supporting them in the fight

against involving children in employment when they are under the age of 16.

Yes, I appreciate where, in many of the other countries in the world, particularly the African countries, that is a part of their own development where at a certain time in the year, children do not go to school but they get actively involved in projects that will help to earn money for the upkeep and mainstay of the household.

I would want Barbados to continue along this line in lending its support to these various countries and indeed other institutions, through the International Labour Organisation, signing these Conventions to let them know that we are helping them to change the whole culture of the society so that children can get the benefits that should be derived from such activities as going to school, getting a good education, coming and giving back some of what they received from the institution to help with the growth and the development of the society.

I want to commend the Ministry of Labour and indeed the Government for bringing this amendment. I think that we in Barbados must be clearly aware of what the compulsory age of education is, and therefore work with the rest of the world in helping to point them in a direction so that healthy, young people can be developed from following the convention and working with them to ensure that they are productive citizens.

Thank you, Mr. President.

SENATOR THE HON. Dame PATRICIA SYMMONDS: Mr. President, I know this has almost become a cliché when I say that I had not intended to speak but I do feel that perhaps I should share a little of my experience over many years of dealing with children. I very much support what the Leader of the Senate has said, and also what Senator Forde and Senator Rock have said. I believe in moderation and, therefore, I think I would like to utter a few words of caution.

Yes, I know that giving children responsibility in the school helps their character because the only way you can get responsible citizens is by giving children responsibility. This applies particularly to the girls and I think it is perhaps one of the reasons why our girls are not falling through the cracks and liming on the blocks.

At the same time when we talk about labour, we often have to remind those responsible for gender equity that work in the home is as much labour as work outside. One has to realise that there are some children who are given too much responsibility, especially in single parent homes where the

mother has to work so hard that sometimes she relies too much on some of the older children, or an older child, to the extent where the children are burdened with work and responsibility. Sometimes they resent their younger siblings because they are virtually the caretakers. When they go home sometimes, they have so many chores to do that they cannot even attend to their homework and that can be a problem.

Sir, we are talking on one hand about giving them educational opportunities and at the same time, because of this overload of responsibility in the home, their homework suffers. That is something I would like parents and guardians especially to give some attention to and try and see that their children are not disadvantaged by too much responsibility because, of course, too much responsibility is just as bad as too little.

Thank you, Mr. President.

SENATOR G. E. N. BROME: Mr. President, as an employer, I feel very happy about this Amendment before us today. We in Barbados have never had a problem with employing infants. It is a problem, immoral and it is a very bad thing for any one of us to employ or to exploit child labour. I think this is what we are dealing with, the exploitation of children. But children must be given the opportunity at as early an age as possible to understand what work is all about. I will say that during the school vacation, they should be free to work regardless of whatever age, so long as they are given the exposure to develop.

I know in Korea, China and elsewhere that young children do not get the opportunity to go to school. They grow up in sweat shops and so on. It cannot happen here in Barbados and it should not happen. I think we employers and the Government would never stand for that and I am here on behalf of the employers of Barbados to help condemn those who do it.

We should not say that we would not buy things that are produced in China. We cannot say that. We would like to do it but it cannot be easily done because we do not produce very much and we rely on imports. Only when we begin to produce, we can stand up and say that we do not want what you produce in respect of young children.

With these few words, Mr. President, I support this Bill.

On the motion of SENATOR THE HON. P. C. GODDARD, the Senate resolved itself into Committee on the Bill, HIS HONOUR SENATOR C. L. BOLDEN in the Chair.

COMMITTEE

Mr. CHAIRMAN: The Senate is in Committee.

Clauses 1 and 2 were called and passed.

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

On the separate motions of SENATOR THE HON. P. C. GODDARD, the Bill was read a third time and passed and cited as the Employment (Miscellaneous Provisions) (Amendment) Act, 2001.
2.55 p.m.

ADJOURNMENT

SENATOR THE HON. P. C. GODDARD: Mr. President, in rising on the adjournment, it is planned that the Honourable the House is to resume on April 24, 2001. I am proposing that the Senate should meet the day after, on April 25, 2001, at which time we would debate the Persons with Disabilities Paper. I am doing this so that we can have the First Readings of Bills from the House so that Honourable Senators may have the Bills in sufficient time to deal with them in a second reading a week later.

With that, Mr. President, I move that the Senate do now adjourn until Wednesday, April 25, 2001 at 11.00 a.m.

The question that the Senate do now adjourn until Wednesday, April 25, 2001 at 11.00 a.m. was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.

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