
THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 2003 – 2008

THE SENATE

Wednesday, August 4, 2004

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, August 4, 2004, at 11.00 a.m.

PRESENT

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

Her Honour Senator Dame Patricia SYMMONDS, D.B.E., G.C.M., B.A. (Hons.) (PGCE), J.P. (Deputy President)

Senator the Hon. E. R. GRIFFITH, G.C.M., J.P., (Minister of Agriculture) (Leader of the Senate)

Senator the Hon. Miss L. V. EASTMOND, LL.B. (Hons.), LL.M. (Minister of Commerce, Consumer Affairs and Business Development)

Senator the Hon. J. E. D. WILLIAMS, B.Sc. (Hons.), M.B.A., J.P. (Minister of State, Prime Minister's Office and Ministry of the Civil Service)

Senator T. E. BARKER, B.A. (Hons.), M.A. (Econ.) J.P., (Parliamentary Secretary, Ministry of Economic Development)

Senator R. W. GRANT, B.A. (Econ.) G.Dip. M.A. (Parliamentary Secretary in the Ministry of Tourism and International Transport)

Senator I. St. C. LINTON

Senator G. P. I. GOODING-EDGHILL

Senator G. P. B. NICHOLLS, B.Sc. (Hons.), LL.B. (Hons.)

Senator F. J. STUART, B.A., LL.M.

Senator Dr. D. S. LOWE, Ed.D., MEd., B.A., Dip. Theology

Senator Sir Roy TROTMAN, K.A., M.A.

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

Senator Sir John Stanley GODDARD, K.A., G.C.M., B.Com, F.C.A. (Hons.), LL.D. (Honorary) (U.W.I.)

Senator the Hon. 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.

Senator the Very Reverend H. E. CRICHLow, G.C.M., B.A. (Hons.) (Dunelm)

Senator A. C. FIELDS

Senator Dr. F. L. CHANDLER, Ph.D., B.Sc. (Hons.).

Prayers were led by Senator the Very Reverend H. E. Crichtlow.

Mr. PRESIDENT: The Senate is in session.

PAPERS

SENATOR THE HON. E. R. GRIFFITH: Mr. President, I am commanded to lay the following documents.

1. Duties, Taxes, and Other Payments (Exemption) (Erskine Griffith) Order, 2004.
2. Value Added Tax (Barbados Defence Force) Order, 2004.
3. Annual Report of the Transport Board for the year 2002-2003.

SUSPENSION OF STANDING ORDERS

SENATOR THE HON. E. R. GRIFFITH: I beg to move that Standing Order No. 45(2) be suspended for the rest of this Sitting.

The question was put to the Senate and agreed to.

INTRODUCTION OF BILLS

SENATOR THE HON. E. R. GRIFFITH: Mr. President, I beg to move that the following Bills be read a first time:

1. Civil Aviation (Montreal Convention) (Amendment) Bill, 2004.
2. Barbados Water Authority (Amendment) Bill, 2004.

The question was put to the Senate and agreed to.

PUBLIC BUSINESS

ORDER NO. 2 – NATIONAL INSURANCE AND
SOCIAL SECURITY (AMENDMENT)
BILL, 2004

SENATOR THE HON. E. R. GRIFFITH: Mr. President, this National Insurance and Social Security (Amendment) Bill, 2004 is seeking to give effect to an administrative arrangement which was put in place in April of 2002.

Mr. President, at the end of 2001, Government realised that there were substantial amounts of money owing to a number of Government departments with the major departments being the National Insurance Office, the Inland Revenue Department, the Customs Department and the Land Tax Department. A sum of \$16 million was also due to the Ministry of International Transport and \$16.9 million to the Treasury Department.

Mr. President, at that time it was recognised that in most instances the businesses which owed the money to these departments were small and medium-sized businesses. So the Government, in an effort to assist these companies to get themselves back together where they would be able to stand on their feet and carry on their business, came up with this Scheme where it was proposed that the interest on the outstanding amounts would be frozen at that particular date and that any payments which were made would go entirely towards the reduction of the principal. Previously, when some form of arrangement was put in place what used to happen was that all of the payments tended to go toward the interest and further interest accumulating over time and then those companies would find themselves in even deeper debt.

Mr. President, coming out of a series of discussions which were held with the Ministry of Finance, it was agreed that the interest at that point in time would be frozen and any payments would go toward the reduction of the principal. The agreement also was that this would take place over a

three-year period. So from April 2002, that arrangement was put in place for these companies. It was also recognised at that time that in many instances the same company would owe more than one department and sometimes some of them used to owe all, therefore, the arrangement was done across the departments.

Mr. President, Honourable Senators may be interested in noting that the amounts due at that time was \$89.9 million to the Customs Department, \$88.6 million to the Land Tax Department and \$125.6 million to the Inland Revenue Department. Unfortunately, Mr. President, I have to report that the Scheme has not met with the type of success that was expected at the time. Yes, a number of companies have taken advantage of the opportunity to reduce their debt but several others have not been able to live up to the expectation that the Government had when it put the Scheme into effect.

Mr. President, what is being done today is to amend the National Insurance Act to allow that arrangement which has been in place since then to be put into the Act. It was being done administratively, as far as the National Insurance Department was concerned and it should be tidied up by putting it into the Act, hence the reason for this amendment. 11.20 a.m.

Mr. President, the National Insurance Department has been in the news a lot recently and I need to make a few statements about what is happening at that department. Before I do so, I wish to make reference to another issue which was raised by the Auditor-General in his 1990 report when he reflected on the state of arrears in the public service. He was careful to indicate that Financial Rule No. 41 required Government agencies that collect revenues to report on the status of their arrears but that many of the departments were not doing so. Sir, this is an issue of concern because while there has been some slight improvement since then, it is still an issue that collectors of revenue need to pay attention to.

Sir, all Government agencies should have proper records of arrears. They should know who owes them, how much is owed to them and in keeping with Rule 41 submit their returns at the appropriate time as pointed out by the Auditor General. I want to give a small bit of advice to those departments, even though it is unsolicited, that they need to pay careful attention to that matter and that large departments, like the VAT Department, need to pay more careful attention to their auditing system to make sure that they are capturing all they should capture with the net. Mr. President, a word to the wise is sufficient.

Mr. President, as I said, the National Insurance Department has been in the news quite a bit and not so long ago a review has been done of the pension scheme managed by that department. Since that review was done there was

also an actuarial review as well. At the time of the review, there was a feeling that the Scheme was likely to run into difficulty down the road and that it was necessary to put in place certain reforms to stave off that problem. Those reforms have been put in place and all Honourable Senators are familiar with them.

Mr. President, I always felt that a small society could not afford the luxury of putting most of its citizens on retirement at so early an age if they chose to work much longer and I never understood why it was done. Fortunately, we have all seen the light now and we recognise that we can no longer go that route.

Sir, the reforms have been put in place and the information which I received suggest that they have been successful. When the eleventh actuarial review was done, it was done on the basis of these reforms. Also, it was done on assumptions that relate to the fertility rate, the mortality rate, the migration pattern, the growth in GDP of the country and to the yield which is expected from the long-term investment of the fund. It also made reference to the projected rate of inflation over a period of time and to the population increase over time as far as 2030.

Sir, all results to date suggest that the outcome is in keeping with the expectations from those assumptions. Therefore, there is no reason for anyone to feel that the National Insurance Scheme is under any pressure. During the past weeks when persons were discussing the difficulties which some citizens had in receiving their cheques on time, I heard some went to the point of suggesting that maybe the Scheme is in trouble, instead of telling the people the truth and this is the way that it is being handled.
11.30 a.m.

Mr. President, I thought I heard statements in Barbados that were ridiculous, but when I heard that one I realised that there was some scope for persons' imaginations to work. The truth is, this Scheme is a soft Scheme and all the evidence is there. That is why the Government was quick to take action when it was recognised that because of the changing patterns in our society that there could be a possibility of some strain on the system in subsequent years. Sir, that has been dealt with and the Scheme is very strong.

Mr. President, the issues that gave rise to the delays had nothing to do with the soundness of the Scheme. Those issues had to do with an effort by the department to improve the delivery of its service to its clients. Therefore, undertaking some serious reform in relation to its information technology and rearranging a number of its operations in developing a long-term plan which would include not only the new technology but changes and reforms in the ways of delivering the services being offered, all of which is intended to improve the quality of service.

Sir, as part of that exercise it was necessary to deal

with a database to make sure that those cases where persons had died, but their names were still in the system, were eliminated. Sir, as happens with new technology, there were occasions when the department had some difficulties and unfortunately some persons were not receiving their cheques on time.

Recently, the Director of the Department and the Minister held a Press conference and apologised to the public for the inconvenience they have experienced. I wish to join them in apologising to the public for the problems they have encountered and to give them the assurance that the department is working speedily to get all of those problems rectified and to improve the quality of service to them.

Mr. President, while there are changes to the technology, there are also plans to take the opportunity to rearrange some of the offices to improve the conditions under which the staff have to work. Changes are being planned at Verona House and the National Insurance headquarters. There is the National Insurance Annex where some of the space would be used to make the staff and the public more comfortable.

Mr. President, while we regret the difficulties which arose recently, I have been assured that most of those problems have now been overcome and that in the near future they would all be eliminated from the system and there will be a higher quality of service being provided to the members of the public.

Sir, I do not think that it is necessary for me to go any further and, therefore, I move that this Bill be read a second time.

SENATOR F. J. STUART: Mr. President, I will be very brief. The National Insurance Scheme in Barbados is 37 years old and by and large it serves effectively as a safety net which is particularly important for all persons. I am glad to hear the Honourable Leader of Government Business acknowledge in his speech that in recent times, however, the Scheme has not been meeting public expectations for the better part of its life but as a safety net for workers and all retired persons. The Scheme has by and large acquitted itself very well.

The amendment with which we are now dealing is an attempt to increase the efficiency, as I understand it, while at the same time bringing relief to a sector of the country albeit the small and medium-sized business sector which has experienced an acute difficulty in relationship with the National Insurance Department. The vicissitudes and

vagaries of irregular cash flow attended to make it very difficult for small and medium-sized businesses to discharge their obligations in a timely fashion to the National Insurance Department and in an age where there is no shortage of information and the flow of information is unprecedented, workers will, sooner or later, become aware of these problems and the Department will then be pressed into service to pursue defaulting employers and to make sure that the interests of the employees are properly effected.

Mr. President, this amendment, in my view, represents a second attempt by the Government over the last ten years to confront this problem. I am aware that when I was in the Other Place an amendment was brought which empowered the Director of National Insurance, which now appears in Section 43(3) of the Act, to pursue directors of corporate employers in their individual capacities in circumstances where the company was in default to the National Insurance Department.

Mr. President, quite frankly, it was an amendment which I was always a little uncomfortable about because I always understood that a corporation and the use of a corporate instrument, was an attempt to separate a man's business from his personal possessions and, of course, to screen his family from any misfortunes which might result from the failure of his business. But I understood the motive of the department in that regard. In fact, even if I were minded to be critical of it, I was also aware that the 1994 Manifesto of the Democratic Labour Party actually promised to do the same thing.

11.40 a.m.

I am still very uncomfortable about it. In fact, my discomfort was aroused recently when, I believe, one of the attorneys-at-law, working in the department raised the issue of going after the directors personally, in the recent difficulties with Sam Lord's Castle. I think it was a very dangerous road to travel. It is the law but I do not know if the corporate instrument should be vandalised, as it were, in that way. Of course, it is not only the Director of the National Insurance Scheme to be given power. I think the Comptroller of Customs and the Commissioner of Inland Revenue, also have that power by the same amendment, so that protection by the corporate instrument was rendered nugatory by those amendments.

Thankfully, I have not seen that section of the National Insurance Act activated against any director, in his individual capacity. I hope that the mechanism, which is at present before the Senate, will reap the kind of success that will make it unnecessary for the Board to want to pursue directors in their individual capacity.

The consequence of this could be very acute. If they have families, the rights of spouses under the Family Law Act could be severely undermined. I hope that we never get around to actually using deception, but I am aware that there was a bipartisan consensus on the issue, it having appeared in the Democratic Labour Party's Manifesto as well.

I think that the amendment to the Act, to give those indebted to the Scheme, a chance to make good with the Scheme is a useful amendment, and I hope that it would reap the success which it is intended to reap. The Minister made the point about the lateness to which benefits under the Scheme have been received in recent times by beneficiaries of the Scheme. He said the difficulties are now all removed, but I am not aware that is necessarily so, because there are still complaints by persons who have been awaiting sickness benefits for more than six months, and have heard nothing from the department. I do not think that the department itself has communicated with the public as forcefully and as timely as it might on these issues.

In any event, while technological problems are being sorted out, people have their commitments to meet. It is very poor consolation for these people to hear that things will soon be all right, when their utility bills and their ability to meet their grocery obligations are being severely affected by delays from the department.

I have not been able to understand why technological changes in the department, in an era of public sector reform, should have led to this kind of dislocation. I am aware that in other departments of Government which have to serve the Government in similar, though not identical ways, there have been technological changes. I can think, of course, of the Registration Department, where there have been major technological changes, computerisation of the system and so on, but people were not put to this kind of inconvenience. It must be that the changes at the department were handled very clumsily, and the losers in all of this have been those persons entitled to benefit under the Scheme.

There are some other disquieting features about the functioning of the department in recent times, from my point of view. Among the benefits people are able to get from the National Insurance Scheme, are invalidity benefits. Sir, the National Insurance Act actually defined invalidity benefits in terms of benefits payable to persons who are permanently incapable of working.

I do not know that the word "permanent" allows for too much elasticity of meaning. Permanent can only mean permanent. Yet, there are situations in the department at the present time, in fact, a few of them have reached my desk in my professional capacity, where medical panels of the department actually declared workers unfit or incapable of working, permanently incapable of working, and

recommended invalidity benefits for them. Over the last three or more years, some of these persons have been receiving invalidity benefits. Then, all of a sudden recently, and quite fortuitously because it happened at a time when the department was supposed to be going through these technological changes – persons on invalidity benefits have been written by the department and asked to see a doctor again.

Sir, in one case for example, a police officer, on the advice of doctors constituting a panel from that department, walked away from his job because he was declared permanently incapable of working. He then received a letter telling him that he must see a different panel of doctors. The new panel told him that he is fit to work.

Sir, I cannot claim to know all of the workings of the department and perhaps there is something I am missing, but that seems to me to be a manifest injustice, having regard to the fact that in the first place the worker would have relied on the representations of the medical panel and basically, given up his job. Having received the benefits for more than three years, and having grown to rely on the benefits, he was written and told that the benefits are going to be stopped, because he is no longer considered permanently incapable of working. I think that may have to be tested in the courts because I really do not see how that can be just in terms of the dislocation and inconvenience which it caused the worker.

There are problems like all of these, Mr. President, that help to explain the synergism of the average worker in Barbados, when you cannot trust the systems upon which you have been taught to rely. This is why I have never joined this chorus, and chanted the mantra about Barbadian workers being lazy and bad work attitudes and that kind of thing.
11.50 a.m.

About 28 years ago I completed a history degree at the University of the West Indies. One of the things that fascinated me then and that fascinates me now is that even during the days of slavery employers in this country and in other parts of the English-speaking Caribbean used to complain about work attitudes. I was flabbergasted to discover that there were slave masters in Barbados and in this region who expressed horror at the fact that their workers did not seem as excited about slavery as they should and so they regarded that working to rule and stopping work when they were not being directly supervised as deviant and anti-social behaviour. In light of many forms of stereotyping nobody then, and it seems that very few persons now, want to look at the various pressures under which the worker has to operate and try to explain workers' behaviour in those terms. That is a cause of worry.

Mr. President, for the last ten years workers in this country have been hearing about legislation to deal with occupational safety but that has not happened as yet. It is well known that even in Government departments workers have been forced to endure working conditions such as badly kept buildings and so on that have led to many and varied types of employment illnesses. So when pressure is put on the Scheme as a result of these failures, I do not think it is fair, and I will certainly never join in "group say" against workers in Barbados and their capacity to perform. There is no reason any worker should want to give of his best if it is evident to him that the employer seems bent on giving of his worst.

Mr. President, only recently I saw an article in the newspaper by a university lecturer in the area of management in which he was talking about managing practices in Barbados and the extent to which they still reflected a plantocratic mindset. These issues have all got to be put into the scale when this stereotyping of workers in Barbados is being undertaken.

Having said all of that, Mr. President, I concede the good intention that must have driven the Government to this point. However, the National Insurance Scheme has still not been able to attract as large a number of self-employed persons as I am sure the Board would have wished. There are still a large number of self-employed persons out there who earn well but who have not been brought into the net to contribute to the Scheme and to make provision for their retirement, and I hope that the canvass of these persons will continue.

Mr. President, in a previous Debate I drew attention to the fact that such persons were required to register under the Professions, Trades and Business Registration Act which covers a versatile range of occupations. Perhaps the provisions of that Act could be enforced as a first step toward ensuring that self-employed persons of all types make their contribution to the Scheme and contribute to its viability of which the Minister spoke so glowingly.

Mr. President, I hope that the National Insurance Department has heard all of the complaints and all of the criticisms by members of the public. If members of the public do not have good information, they cannot be faulted for using what the Minister implied to be considered as bad information. If they are not getting their benefits and they are feeling pain and clear coherent answers are not coming from the department, they are entitled to speculate. I do not think that the speculation limits itself to persons expecting payouts from the Scheme. The speculation is entitled to spread to politicians as well. So if as a result of the speculation we can get clear, reliable answers from the Honourable Leader of Government Business in the Senate, then the speculation would certainly not be wasted.

Mr. President, the Opposition has no objection to this amendment and we hope it will achieve the objectives which the Government intended.

I am obliged to you, Sir.

SENATOR Sir Roy TROTMAN: Mr. President, I have said before and I would like to repeat today that I consider the National Insurance Social Security Scheme of Barbados to be one of the greatest pieces of social engineering that we have in this country and indeed that anyone can have especially in a developing country.

Mr. President, over the weekend I spoke to a brother of mine who lives in the great United States of America who made me aware that he has no social security benefits like a Government pension or provisions under severance payments regulations that he may look to for security in his middle age. I say middle age though he is older than I am because I am sure he intends to remain young for a very long time.

I think therefore that we in this country of Barbados and those in the other countries in this region who are moving towards enhancing and improving our social security systems are to be complimented and every attempt should be made to give the Scheme the kind of bolster, the kind of support and the kinds of undergirding which are required. This is so because our social security fund is a *sine qua non* for the future development of countries like ours. Without it, our future is very much in jeopardy. That is particularly so as the march of greedy globalisation continues. I do not say that all globalisation is to be abhorred, but I refer to the march of greedy globalisation. As that march continues, the lives of every one of us are lives that remain significantly uncertain, even some of my friends whom I tease, their lives are uncertain, because we do not know who will be the next body of casualties. Therefore, our social security scheme in Barbados and our social security schemes in the Caribbean must be the underpinning of our future success as a single Caribbean people.

Mr. President, it is therefore sad for us to have to take note, as the previous speaker took note, of the fact that this is but the second occasion when the Government of the day has been forced to reflect on the levels of delinquency which there are in our social security programmes.
12.00 noon

It is clear that something must be fundamentally wrong either with the way we promote the system or with the well-being of our people towards their own social improvement. I do not think there is anything wrong with what we have been trying to do over more than thirty years in making people aware of the importance of National Insurance. It

must be that there are far too many people who believe that it is a good thing but for somebody else but not necessary for themselves and have therefore systematically opposed the need which there is for some of them to become contributors.

Sir, although I may not go into any depth in the matter, I may say that I am aware that several professionals who could afford it have refused to contribute to the Scheme. Sir, I mention this matter only because it affords me the opportunity to use this platform to urge Barbadians from all walks of life to recognise the importance of taking part in the Scheme and even where they feel that they are not required to contribute for themselves to think of the benefit to be derived for their families by participating and having their families benefitting and of the well-being of the country as a whole if together we recognise that our contributions are not for ourselves alone but for the general well-being of the country.

Sir, there are some small and medium-sized businesses which can properly point to the contradiction which there is in the behaviour of the Government be it the current one or previous one. It is unfortunate that the governments we have had in Barbados have very large hands for receiving what is due to them and small fingers when it comes to dispensing what is due to those people with whom it has done business.

I have been in the unfortunate position as Chairperson of UCAL, a small workers' company where Government has held its hands out wide to receive the benefits due to it but has been lax, slow and sometimes unwilling to pay to UCAL and other companies what they are supposed to pay for work that has been done. The contradictions come when the Government does not pay you, then you have no money to pay the Government but then Government taxes and punishes you for paying late but you cannot punish the Government for receiving late.

Sir, this is a beautiful occasion to remind the Government that he who is the greatest among us must be leader and set the best example. The Government is properly endeavouring to receive social security contributions and I laud the Government for this but I would like to suggest that the Government might get more willing contributors if the example which the Government sets would be a different kind, the example of a business person who knows that when he or she owes the Government, he must be as willing to pay as he is anxious to receive what is due. Sir, like the Honourable Leader of the Senate, I say that a word to the wise is enough.

Sir, I recall when we were going to deal with this matter of the forgiveness from 2002 of indebtedness that

there was full consultation and like others we were very interested in looking to see that small and medium-sized businesses would properly benefit. We were pleased to note that payments when they were being made would not be made as they used to be, towards the interest, and thereby finding that the debt would continue to remain the way it was. We felt there was significant ease when we used the three-year period for completing the transaction.

Mr. President, we have to recognise that not all delinquency results from the incapacity to pay. There are many businesses where the business person is able to go into other forms of endeavours and where there are clear indications of capacity where the business person refuses, as though by religious creed, to pay National Insurance contributions. The employer does not only refuse to pay the employer's share of the contribution but in many instances, the employer takes out the worker's contribution and fails to pay it to the Government. There can be no reason why the money, having been taken from the wages of the worker, is not passed on to the appropriate Government agency.

Sir, if there were a situation where half of the money was paid, we could say that because of that, the employer has been able to pay only the workers' half and there might be a means of forgiving it or at least examining it to find where the problem lies; but where the employer holds on to the money, sometimes changes his business, goes into voluntary bankruptcy or liquidation thereby preventing the worker from having the benefits of social security, then I think it is a crime to be significantly regretted and one that we should not be able to give our support.

Sir, the occasion must be used by the Government to recognise that problems of this sort are considerably different from companies that are rolled over or run over by the challenges of competition elsewhere where they may not have the chance.

It seems to me, therefore, that there has to be a means by which there is careful examination of the circumstances leading to the delinquency and there must be some form of redress for the working people of Barbados who must not be left to the whims and fancies of some employers who may not have the same level of social commitment as others do. 12.10 p.m.

I wish to use this occasion, not that I wish to use the possibility in this particular item to range wide, but I wish nonetheless to speak to a few matters which I consider of some significance for us in the country.

Mr. President, one of them refers to the matter of the retirement age, which has been mentioned before by the Leader of the Senate, and to say that the flexibility in the

retirement age seems to be a very good thing but the flexibility in the retirement age must, though recognised as good must be seen against the fixedness of the computation of pensions.

Sir, the pension within the National Insurance Scheme is pegged to \$716.00 per week and it is intended to go up by approximately \$30.00. That may be something that we may be able to address by private pensions, those of us who would be able to address private pensions. I think that we should recognise that this particular \$700.00 or thereabouts has been a level that has been set since 1983. We need to recognise that for an individual whose company may not have been able to develop an employment benefit pension fund or who may not otherwise have the capacity to be involved in a private pension arrangement that individuals who may have been very close to the \$700.00 in 1982 may be earning at a level considerably beyond that now but might be stuck with a pension at that fixed amount of just over \$700.00.

Mr. President, as I said, that is not the greater part of the problem because the individual might be able over time to benefit from the help of a grant, which is what many Bajans and Caribbean people have to rely on when they reach their senior years and I hope that is a long way off for most of us.

Sir, the same level applies to unemployment benefits and the same level applies to severance payment benefits, the same \$716.00. If an individual who is working for \$700.00 is laid off for any reason, he or she has a problem. Sir, \$700.00, though it appeared sometime ago to have been a large amount of money, is only \$3,100.00 a month. There are many people in Barbados who are not management people or professional people who work for that money. It is not the sort of figure that would make you think that you are speaking about any privileged persons. Those persons are easily within a range of individuals who have no control over their jobs and who could be laid off tomorrow.

Sir, if those persons are laid off tomorrow, they are stuck with an unemployment benefit of 60 per cent of that \$700.00 for 10 weeks, 40 per cent of that \$700.00 for the next 16 weeks and then a zero per cent of that \$700.00 thereafter if the individual does not find another job. Sir, what is the point that I am making?

Mr. President, the point that I am making is that we have to recognise that changes have taken place in the movement of money and the application of money over the years. The buying power of the dollar for the individual consumer is not what it was in 1983, so we must expect that changes have to be made to recognise that difference and the same thing goes for severance.

Sir, with severance, we have the difficulty that whatever the computation is, be it every four, two-and-a-half weeks or three weeks of service, the computation for the purposes of the Act is that the maximum is \$716.00. Fortunately for us, there are many employers in Barbados who have now reverted to the position they were at before that cap and they are paying severance on the basis of total earnings, but that is not the law. The law needs to be changed and I would support and recommend that the law should be made to pay the money on the basis of total earnings. Then we will have no difficulty in having to look at the \$700.00 as the cap.

Mr. President, as it now stands, with that \$700.00 as cap for the last 20 years, we are finding a large body of people in this country, some of whom are being put out of employment by the kind of globalisation to which I just referred or just the normal changes of doing business and the level of compensation that they will be getting is a level of compensation which does not in any way match the earnings that they would have been receiving some time ago.

Sir, I have some good friends who worked at places like Cable and Wireless and who are no longer working there. Can you imagine what would have been the situation if those individuals were forced to receive severance on the basis of that cap of \$700.00 a week?

Asides.

Mr. PRESIDENT: I am not sure that you are not referring to anybody in this Chamber.

SENATOR Sir Roy TROTMAN: Oh no! Mr. President, one is not supposed to refer to anyone in this Honourable Chamber. I would not do that. Sir, if they had been forced to receive that level of severance, we would have had a very serious problem but the same thing is so for many other places of work and kinds of work.

I think that some address has to be made to this and that there should be two levels. One is by having the Government look at ways by which the employer could look at those caps again but the Government will have to make the changes in the legislation. I think that the change has to be significant but the occasion must be used to make the point and I hope that this would be well recognised that if we seek to increase the cap, then we have to realise that the contribution level or premium level will have also to be adjusted because the cap has been fixed actuarially and the actuaries would not be able to agree that we move the cap from, for example, \$700.00 to \$900.00 unless there is some means by which we are able to have some harmonisation of the two sides of the same coin, the contributions versus benefits. I think that this has to be addressed and it has to be addressed as a matter of urgency.

Mr. President, while I still have your support, let me hasten to say that in the area of the Employment Benefits Pensions Act, this will address part of the problem that we are referring to. We are of the belief, although nobody has told us in recent times, that it is a long distance away from implementation because there are certain regulations which we believe are necessary to be prepared and to be put before the social partners for discussions. As a member of the Social Partnership I have not received any word that there is any body of regulations which my colleagues are required to have a look at. So I would think that it is quite some distance off.

Sir, meanwhile, as the Leader of the Opposition in the Senate said, there are several persons who do not have the quality of information which they may require. At least in one workplace, the University of the West Indies, there are several persons who are seeking to retire from their jobs before a proper retirement date because they are uncertain about the application of this employment benefit section. They are scared that the Superannuation Fund which used to apply to them, and which gave them a lump sum payment, as opposed to a pension is going to be varied at short notice by this Government in such a way that they would lose the possibility of applying the provisions for their future for which they had planned.

12.20 p.m.

I suggested to the Government that those persons who are over 45 years of age who have made their plans for retirement against a superannuation lump sum payment should be able to receive that lump sum payment, and only those who are under 45, who are young enough to adjust their lifestyles and their plans should be made to comply with the new regulation. This is such a special case that it could be done without doing any harm to the body of the legislation. I have not received the benefit of a response. Meanwhile, we have a large number of workers who are completely scared, and are finding themselves on the verge of leaving decent work because they cannot get decent answers to reasonable questions. It would be proper, Sir, if this House were able to direct the Leader of the Senate to see whether we could not get a public statement from the Government to defend such workers' interest, in a situation which is really most unsatisfactory.

I wish now here to turn to another matter which bothers me somewhat, and I am sure bothers everybody. This problem relates to the number of contributors which we have within the informal sector or self-employed persons who are contributing to the social security system. My information is that less than 25 per cent of those people who are self-employed, either in what might be close to regular employment or in the employment sector are, in fact, contributing to the social security system.

What this in essence means, is that in a few years time, we are going to have an even greater problem than we now have. Speaking from a position of privilege, I am able to say, Mr. President, that we have been brought face-to-face sometimes with people who have refused to contribute and then having reached retirement age, have been making demands on the social security system for one kind of pension or the other. Though it grieves us very much to do so, we have been having to turn them down.

Mr. President, that cannot be the intention of a Government. It cannot be the intention of a National Insurance Board. It cannot be the intention of people within a welfare society to have to say, no, to people in their old age. Yet, when the people have the ability, means, and strength, they consistently refuse to make the contribution, and so sometimes, Sir, it becomes necessary if the mountain would not come to Mohammed, to take Mohammed to the mountain. Mr. President, you may have heard it differently, but sometimes I get mixed up with which one is supposed to go where. The important thing is that however we do it, we must get the other 75 people to understand that they are not doing themselves a favour by a consistent refusal to contribute to the National Insurance Fund and so, we are going to have to help them in that decision. I would wish to suggest one of two things, or both.

Mr. President, one of them relates to the fact Barbadians like to travel now and we are all travelling to wherever. It seems to me that we could very easily develop a system where at the airport, because of the technology, at the same time that the person is desirous of checking in, if he or she wants to wait, we will be able to check to see whether the person has a National Insurance Clearance Certificate. This would be a way of tracking those people because we do not have enough people to walk around and inspect individuals, but if you are contributing, then we link up with the National Insurance Office, you travel, you have your clearance certificate. When you find you do not have it, you understand that now your information is trapped and it has to be corrected.

Sir, the second way by which we can do it, is that we can go the route of determining on that occasion in October or November when we have to deal with our property tax that we will also have to get a certificate for National Insurance clearance. In this way, at one point or the other, we help to regulate the system.

I know that I spoke to the subject of regulation sometime previously, Mr. President, and the whole of Barbados almost put me up between the beams of my ceiling to deal with me, once and for all, but sometimes you have to be able to regulate systems, to save people from themselves, to give guidance and to give support for systems which would otherwise go haywire. The reality is that we cannot

leave it to national insurance to preach on a Sunday in all of the churches that there are in Barbados. Even if all the good deans and all the good preachers were on the same Sunday to preach the benefits of a social security system, the reality is that not many of them are listening to the Sunday service, anyhow.

There has to be a means by which we capture those people who are not aware that they are digging their own graves and help them to protect themselves from a future which may be very uncertain. I would think, Mr. President, that unless we are willing to take the animal in the way that we must take it and address it as it has to be addressed, then we are going to have a very severe problem in this country of Barbados.

I support the Bill before us.

SENATOR I. St. C. LINTON: Mr. President, I rise to support this amendment to the National Insurance Scheme, but since it is not a partisan presentation today, I want to speak to it as a beneficiary of the system. The Senator that just sat covered some of the areas which I wanted to raise, and he ably did so.

Firstly, let me let this Honourable Chamber know that I have been a beneficiary of the National Insurance Scheme for 25 years, and not once, did my contributions not go through to my account by their doing. It may have been by my not sending in my report in time. I have always paid an interest and indeed, was an adviser, not being paid from the National Insurance Scheme from its inception. I go back as far as the 1950s when Professor Richardson came to Barbados being asked by a Barbados Labour Party Government to look into and recommend a Social Security Scheme for Barbados. This was followed in 1964, I think, by a Jackson Commission, which resulted in the establishment of the National Insurance Scheme. Both political parties were deeply involved in establishing it and the legislation was brought by the Democratic Labour Party which I supported and will always support.

I want to speak to one point that my goodly friend, Senator Stuart made, because of my experience. I benefitted from the invalidity benefit for 19 years from age 46 to 65. During that period I was visited by the inspectors because in my particular circumstance there was a possibility that my vision would have improved. Certainly, if my vision had improved, I would have reapplied for work which would have been my privilege. It is not to say that as a beneficiary in the invalidity benefits Scheme that you are permanent. They follow inspection until such time as it may be determined that you cannot work anymore but there is always the possibility in some cases that you cannot, that is my response to Senator Stuart.

12.30 p.m.

Mr. President, I am concerned with this because both the Government and the National Insurance Scheme have benefitted from the introduction of permanent employment of Government workers in the statutory bodies. Government, as I understand it, used to contribute to those persons who were not appointed to the Government service. Those workers benefitted from national insurance, sickness benefits and so on.

Mr. President, I want to ask the Minister if in this situation the necessary adjustments were made in relation to these workers since national insurance is set up on particular elements where you pay so much for this and so much for that, and since those workers, some 5 000 or so, from the Government Side will now benefit from sickness benefits and injury benefits as permanent Government employees. On the other hand the National Insurance Scheme will now benefit as they will not have to pay sickness benefits and perhaps one or two other benefits for those permanent Government employees, so these adjustments need to be made.

Mr. President, when the Scheme was first set up Government was responsible for sickness benefit and injury benefits and the National Insurance Scheme was also taking an element of it, so it has to be adjusted. In that regard, I am simply asking, Mr. Minister and Honourable Leader of Government Business if the managers in the public service have looked at this and have made the necessary adjustments because they need to be made lest at any time workers decide that they pay here and they pay there and therefore they are entitled to benefit from both. I seek to raise this point because it is important that we purify the Scheme so that persons will not lose on either side and would get their just benefits.

I want to know whether Government workers in this country are still paying their own severance. I opposed this system totally and will always oppose it because there are Government workers having their benefits under the employment miscellaneous provisions who may never come to the point of severance but are contributing to a payment of severance. It is not right and it should never be. I am speaking to these matters because there should be fairness in the business of benefits of workers which must be to be their advantage and not disadvantage in relation to what benefits are due to them in which they should not contribute and what benefits are due to them to which they contribute. I think that some adjustment should be made to this if it is true that Government workers who are on long-term contracts are still contributing in severance payments to the National Insurance Scheme.

Mr. President, I want to speak on the matter Sir Roy touched. I believe that every one of us in responsible

positions in this country who speak to the public in any way should be strong in our encouragement to self-employed persons in this country who are not contributing to the National Insurance Scheme. It is a case in which if I was of such that I would be stealing from myself.

Mr. President, in this world in which we live there is so much disadvantage in life. I could be walking down the street today and somebody could pull a gun to shoot at somebody else but shoot me instead. I have a wife and children who are dependant on me. I have no insurance because I was not able to pay for any even though I would have liked to do so. If they shoot me, it means that my children or relatives would have to knock at the door of Government for assistance. This could happen in many ways. One could be struck down with some disease. Today it is AIDS. Today it may be an unwarranted attack on your country or it could be a riot because all sorts of things are happening in this world today. You could be going for a holiday and the aeroplane crashes. Well, there might be some benefit there, but the point I am making is that it makes no sense to be living in the world today and not have any benefits which could redound to your offspring. Therefore, I am appealing to all self-employed persons in this country to take steps today to get themselves into the system. It is important to them to be able to benefit from such a wonderful Scheme.

Sir, the Scheme came into being in July 1967. I want to say this for the benefit of those who do not understand the importance of this wonderful National Insurance Scheme we have in Barbados. When the time came around for me to draw my first cheque, I drew out all the money that I have put into it but, Sir, now people are putting funds into the Scheme and I can still be a beneficiary and this is most important.

12.40 p.m.

Sir, I support this amendment and like Senator Sir Roy Trotman appeal to Government to look at means of getting at least 99 per cent of workers involved in this Scheme because it is for the good of all of us.

I thank you, Mr. President.

SENATOR A. C. FIELDS: Mr. President, I rise to support the Bill. I have been privileged to be a member of the National Insurance Board for the last 13 years. I hope my comments would be taken as impartial and not as a vested interested party.

Sir, the National Insurance Department has worked tirelessly over 37 years to collect money from people and this Bill will, in a way, help to add to its arsenal in their progress in collecting that money. Some years ago, we started to publish the names of defaulters in the newspapers and it had a tremendous impact in allowing us to collect money. The recent issue over Sam Lord's Castle has caused

people to hasten to come to the National Insurance Department and pay their debts.

Sir, as we speak, the system is running well, the problems are largely behind the National Insurance Department, there is still some catching up to do because manual activities are still going on but the Board has been assured that the problem is a thing of the past and that shortly everything would be back to normal and all cheques due will be sent out on a timely basis.

Mr. President, Senator Sir Roy Trotman eloquently spoke to all of the other issues I believe were important that should be exposed as far as criticism of the National Insurance Department is concerned and as far as their ability to service the citizens of Barbados. I feel that credit is due to the management of the National Insurance Scheme for the excellent manner in which they have conducted this entity in Barbados which is so important to the social safety net that various administrations in this country over the last 37 years have made to protect the citizens of Barbados when they are in need of such protection.

Mr. President, I am obliged to you and I support the Bill.

SUSPENSION

SENATOR THE HON. E. R. GRIFFITH: Mr. President, I beg to move that this Sitting be suspended until 2.00 p.m. today.

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

RESUMPTION

Mr. PRESIDENT: This Sitting is resumed.

HER HONOUR SENATOR Dame Patricia SYMMONDS: Mr. President, I will be brief but I want to make a few points which in some instances Honourable Senators have touched on briefly. I have been a beneficiary for some years and as expected from a lady, I am not going to mention how many years, but I think most Barbadians would know that it has been a long time. I also suffered a little inconvenience when there was a problem with the computers.

Mr. President, as I stated recently in this Honourable Chamber, the staff did extremely well under difficult circumstances. I have already praised the professionalism and patience of Mrs Vivian Nurse and others who worked extremely long hours to get things done in order that many persons would get their pensions.

I would also like to point out that even in developed countries systems have broken down, as Senator Fields mentioned a while ago. In fact, recently, in one well-known developed country at a reputable bank, the security system broke down. It is not anything that too much fuss should be made of although it is unfortunate that some people were more seriously disadvantaged than others.

Mr. President, over the years I understand that the National Insurance had six or seven computer systems. They were found to be incompatible and experts were brought in but, as far as I understand and as Senator Fields mentioned, most of the problems have been fixed and the majority of people are receiving their pensions on time.

Sir, there have been arrears since 1967 so that there are now accumulated arrears from that time to the present and, as our Leader of Business indicated, there has been an aggressive programme through legislation and garnishing. The objective is not to close down any establishment or to deprive people of their jobs. The reforms that have been undertaken over the last three years have made an enormous difference to the solvency of the fund and I have no doubt that in the next actuarial report that would be substantiated.

Sir, however, there are socioeconomic consequences of the disease. Senator Linton touched on it in passing but I should like to speak to it a little more. Certainly, HIV/AIDS is one of the major areas which can impact on the economy because of the 20-40 age group which it targets. It is the major cause of death particularly among the productive sector of the population, thereby reducing the number of persons paying into the department. I think this is something that we have to be concerned about. There is still significant morbidity because people are not coming forward early enough and are therefore diagnosed late.
2.00 p.m.

Age is another factor damaging the system and hence a decision to allow people to work up to the age of 67 to keep them in the system. I have no quarrel with that. Some people would say that some people over 60 would not be able to produce as much, and their health may not stand up, but that could apply to people at any age. For instance, some people in my age group have far more energy than some much younger.

I think that this system is one of which Barbadians can be proud. I would concede that after adult suffrage, it is the second best but, certainly, I must acknowledge that is a very important piece of legislation. In keeping with other Senators I would like, not only those who are listening but ask them to encourage other people to support the Scheme, especially those who are self-employed.

I totally support the Bill, Mr. President, and I am much obliged to you.

SENATOR THE VERY REVEREND H. E. CRICHLAW: Mr. President, many of the things that I wanted to say have been said already. I think that although it was cited that only 25 per cent of the self-employed now support the Scheme, it is small but it is a vast improvement from what it was, when I was a member of the National Insurance Board 30 years ago. We had the same problem. We were begging the self-employed to join the Scheme for their own good.

Senator Sir Roy Trotman this morning thought of two ways of forcing people to register but I am not sure whether either of those two methods would help. There is greater discipline among people who are working in Government and in firms because the tax is taken out and sent on to the National Insurance Scheme and many of the self-employed would find it very difficult to be going to the National Insurance building every week or every month to pay their contributions.

I think we ought to continue pleading with people for their own good. I think as education spreads, and most of the people receive secondary education that they will see the importance of membership in the National Insurance Scheme. Some will have to suffer but I think that this suffering can help by funds coming not from the National Insurance Scheme but from the Consolidated Fund. There ought to be some Fund to help people who, because they were not farsighted enough to see the value of joining the National Insurance Scheme in their youth and middle age, have never taken out insurance policies.

I think we have come a very long way in this matter of assisting the very poor. I can remember the time when people got two shillings a month and now I think it is something like \$165 every fortnight and I am sure it will go up as the cost of goods goes up. I would say that we should not panic about it. We have the Government Information Service through television to help to educate the people and articles and advertisements in the Press will help.

There is another matter that concerns me and that is that not all businesses which fail to send on the contributions of their employees are able to do so. Sometimes it is by not sending on contributions that they are able to keep their businesses going. I think we have to be very careful to see that we do not cause more unemployment by being too hard on these businesses. I think some help should be given to struggling small businesses and it is the cash flow problem that prevents a number of them from being able to pay at the correct time the contributions of their employees.

I am aware of those businesses that closed down and the owners either left the country or changed businesses and continued. I think that those should be followed up and there should be a way of ensuring that they pay their funds or else their businesses would not be licensed. I do not feel that they should be allowed to get away with it. I am sure that the Government has personnel, a legal department which could find ways of stopping this loophole.

Mr. President, I am in favour of the Bill and I would join other Senators who have spoken in encouraging, especially those who are self-employed, to join the National Insurance Scheme for their own benefits. They cannot lose anything by joining the National Insurance Scheme and as has been well pointed out, none of us knows the future. In a society like ours where we do not compel people to do a lot of things, we expect people to be interested in their own development. Mr. President, this is a good thing and I therefore encourage all self-employed persons, no matter how small the business is, to join the National Insurance Scheme so that they can benefit from it after retirement.

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

SENATOR THE HON. J. E. D. WILLIAMS: Mr. President, as I rise to lend support to this Bill, I would like to begin by reflecting on the last comments made by Senator Crichtlow. I share his view when it comes to encouraging self-employed persons and other individuals who are in a position to contribute to the National Insurance Scheme to do so. Where I have significant difference in terms of opinion has to do with him saying that in those instances where companies were supposed to submit persons' national insurance contributions that there are instances where there is justifiable reason, my words, for not making those payments.

Through you, Mr. President, I seek to remind Senator Crichtlow that it is the employees' monies that were deducted. A person who is working for \$250 a week, his or her employer is supposed to pay a percentage in terms of contribution and the employee is supposed to pay a percentage in contribution to the National Insurance Scheme. The employee's portion is deducted and it is expected that both the employee and the employer portion would be paid over to the National Insurance Department.

Mr. President, I do not even want to deal with the hardship situation with respect to the employers saying that they are unable to pay their percentage and their own contribution. It is the monies from the employees that were deducted that should be paid into the National Insurance Scheme. In fact, both should be paid. There is no excuse that one can give for somebody deducting people's monies to be paid into the National Insurance Scheme and not doing so.

SENATOR THE VERY REVEREND H. E. CRICHLAW: On a point of elucidation. Mr. President, I agree with Senator Williams that both parts should be paid. My point was that it is not that the money is deducted but that the businesses, mainly small businesses and some medium ones, are hardly able to pay their employees minus their contribution and the employees' contribution. I am talking about businesses that are really having hard times and so on. If one says that they have deliberately subtracted the employee's contribution and have kept it instead of sending it on to the National Insurance Board Scheme, one is giving the impression that the money was there in the first place. I could think of many businesses that would not have that money at all, and are only able to pay what is due to the employees.

Mr. PRESIDENT: Senator, you must be careful not to make a new speech.

SENATOR THE VERY REVEREND H. E. CRICHLAW: Thank you, Mr. President, but I think Senator Williams understands what I mean.

SENATOR THE HON. J. E. D. WILLIAMS: Mr. President, I am not quite sure how I can respond when the Senator says that Senator Williams understands what he is saying. What I would say is that I cannot accept that a person's money would be deducted and not paid in. That is my position on the matter. I do not think we can send the wrong signals to people because what we are virtually saying to an individual is that if he or she can claim hardship, that is a justifiable reason for deducting somebody's money and holding it and not paying it into the National Insurance Scheme. The worst thing that we could do is to adopt that approach. It might just be an easy one of comfort to be able say companies are going through a difficult period and although they deducted the employees' contribution, they could not pay it into the National Insurance Scheme and that is acceptable. For me, that is unacceptable.

Mr. President, I also want to respond to a point made by Senator Stuart who alluded to the fact that he knew someone who, after a group of doctors indicated was permanently incapable of working and would be entitled to invalidity benefit, has been sent, as I understand him to be saying, to a second panel of doctors who are saying that the person is capable of working. We already heard contributions from Senator Linton where he said he was hoping that in his case he would have been in a position to go back to work and he would have been happy to do so and to move from receiving invalidity benefit to one where he was going to be making a contribution to the National Insurance Scheme.

Mr. President, what I am basically struggling with is if indeed a person who in the opinion of a group of doctors was deemed incapable of working but then at a subsequent point in time another group of trained doctors believe that the individual is now capable of working again, what should either the National Insurance Scheme or a society do? Should it be a case that the individual be allowed to draw invalidity benefits when he or she is capable of working again?

SENATOR F. J. STUART: On a point of order. Mr. President, I do not want Senator Williams to misunderstand what I am saying. I drew attention to what the statute says about invalidity benefits. The relevant section of the statute, section 21 (1)(d) of the Act says that:

"invalidity benefit, that is to say, a payment or periodical payments to an insured person who is permanently incapable of work."

That is the language of the statute. If you are permanently incapable of work, you make the decision to leave your employment based on that opinion. The issue I am raising here is how can somebody come later, unless you want to do it yourself, and say to you that they had determined three years ago you were permanently incapable to work but they are saying now that you can work after you have submitted your documents and all that kind of thing. That is the point I am trying to get at.

SENATOR THE HON. J. E. D. WILLIAMS: Mr. President, we must have faith in the honesty and the discharge of people in the medical board or whomever. It is a group of people who made such a determination at one point in time and either that group or another group of doctors are saying at a subsequent period of time that you are now capable of working. Should any institution tolerate it and simply say let us cast a blind eye simply because as he said the legislation says that the person is permanently unable to work if you know that the person is capable of working. What do you do? Do you allow it just simply to continue? That is my question.
2.20 p.m.

Mr. President, the other point I want to deal with is the introduction of the new system at the National Insurance Department because much has been said about the initial difficulties that were experienced. There is no doubt that as a result of its implementation we would find there is a quicker and speedier turn-around of payment in terms of the processing of payments by employers, persons making contributions and so on.

Sir, the fact that impresses me most has to do with the value-added service that would result from its

implementation. We speak about employers not making contributions for their employees and only after a business winds up, a person finds out that contributions were not paid. I am hoping that with the introduction of this new technology that an employee can put in his or her number and password and ascertain whether his or her contributions were paid or not paid. Sir, individuals would not have to wait for ten or fifteen years to realise that contributions were not paid up.

Sir, we have made access to computers available across the country and this makes it possible for people to know in real time whether contributions were paid in or not. I believe it would make a significant difference if employers know that employees have the capacity to go into a computer system to determine whether their contributions were paid in.

Mr. President, I also want to say that when we are introducing technology we should also make sure that its implementation is carefully managed. It could not have been an easy thing in the operation of the National Insurance Department to change from one system into a new system and not have teething problems. I am happy to learn that most of the niggling problems have been ironed out and that people are beginning to receive their cheques on a timely basis. I remain satisfied that in the shortest possible time employers, employees and pensioners would be able to reap the full benefits of the new system.

Mr. President, with those few remarks, I give this Bill my fullest support.

SENATOR THE HON. Miss L. V. EASTMOND: Mr. President, I wish to speak in support of this Bill to amend the National Insurance and Social Security Act, Cap. 47, in order to make provision for self-employed persons as well as employers for a facility whereby they may be able to enter into an arrangement with the National Insurance Board in order to settle the arrears outstanding.

I wish to speak on this within the context of my mandate with respect to both information technology and business development in Barbados. I think that the National Insurance is one of the statutory obligations that businesses need to meet. I will speak specifically on smaller businesses because other Honourable Members have spoken about the issues that larger businesses have where there might be some deliberate determination not to pay over national insurance or where individuals would dissolve a business without paying over the national insurance contribution.

I want to look at small businesses where it is part of Government's and my mandate as Minister to see the development of small businesses in Barbados so that we can

broaden the class of individuals who are actually participating in business in Barbados.

Mr. President, currently when most small businesses start, the individual may be good at plumbing or joinery. The business starts in this way, there is more focus on providing the service than on meeting any statutory obligation and the money received for the job is immediately spent so the statutory obligation is secondary in mind. Sir, many individuals may work for a number of years without opening a savings account to put something aside for a rainy day because, if you speak to them, they would tell you every day is a rainy day for them and that the money has to be spent.

Sir, if they are not thinking about savings then paying over National Insurance contribution is going to be far from their thinking. Obviously, we do not want individuals who go into business to continue in that fashion forever even though they may have started that way because of having a talent but did not know that it could become a business until demand grows and there is the realisation that out of it money can be made.

Sir, when individuals in Barbados recognise there is the potential to set up a viable business, it should be approached in a serious way. With the Small Business Development Act we are trying to encourage individuals when starting businesses to approach it in a disciplined fashion.
2.30 p.m.

I would admit that very often individuals do not understand that in putting certain requirements in place before one can benefit from incentives on offer from Government; but you need to put your house in order in terms of making your National Insurance contribution and paying your Value Added Tax.

Mr. President, my view is, if we in Barbados are going to grow successful businesses, we must ensure from the outset that the individuals who are interested in starting a business, approach it in a disciplined fashion. I know that there would still be some argument that we are putting these requirements in place and people tend to refer casually to requirements or statutory obligations as unnecessary bureaucracy and red tape when the Government is doing these things for the benefit of the individuals that are involved in the business. For example, anyone starting a business must have a business plan. There are individuals who sometimes object to this. When we talk about a business plan, they believe that it is a huge document which is beyond the reach of an individual to develop.

Sir, the Ministry of Commerce and Industrial Development Corporation have some facility to assist individuals with developing their business plan. If at the outset you had developed a business plan, no matter how

minimal the business plan is you would have had factored in the payment of national insurance for yourself as a self-employed person and for any employees who may be working for you. I think that if individuals at the outset recognise that these are statutory obligations that they would have to meet they would plan more effectively.

Mr. President, before I was appointed Minister of Commerce I ran a small business as a lawyer. Fortunately, I did not make the mistake of setting up my business without putting the requirements in place that I needed in terms of my statutory obligations. For example, registering with the Value Added Tax Department and ensuring that I can make national insurance for my employees and myself. However, I would admit that I did not have to go on every occasion to the Value Added Tax Department or the National Insurance Department myself in order to engage in some of these transactions. I think that very often this is the difficulty for small business people.

Sir, I do not think that it is the 75 per cent of the individuals referred to, who are self-employed, that have not taken the opportunity to register with the National Insurance Scheme. Often it is not that they do not see the importance of registering but it is a matter of having the time to do these various things. Unfortunately and admittedly so, we would find it is still the case in Barbados that it often takes a very long process, any kind of transaction anywhere, not only in the public sector but in the private sector as well. We do not do things as efficiently and quickly as we should. The time is drawing nigh when we will have to determine this is what we must do. We have to do things in a more efficient manner.

Mr. President, I also think that business persons have to start taking themselves more seriously. Very often you would hear individuals say that they are making some cakes for weddings and birthday parties, they would say that they are just making some cakes. They would not tell you that they have their own business because they do not see it seriously as a business and there are a lot of individuals like that. I think that they need to take themselves seriously and determine at the outset they must have a business plan.

Many persons told me that they had the experience of going to the Barbados Industrial Development Corporation and they were extremely accommodating in assisting them with developing a business plan. If you have access to the Internet and do a search for a business plan you would find one. That is the wonderful thing about the Internet. There are several things that you can do on the Internet to access information and Barbadians should use the Internet more often. I think that is one of the critical points about this particular facility which this Administration has put in place which would allow businesses to look at their activities and

find a method by which they can put themselves in good standing.

The second point I wish to make has to do with information technology and it would be very useful if we pay some attention to exactly what the National Insurance Scheme is attempting to do by implementing this new system. There has been some negative fall-out attached to the implementation of this technology. Barbados has been fortunate in terms of trying to transform ourselves into a society which is *au fait* with technology that there were not more difficulties than what was experienced with the National Insurance Scheme. There are countries that had many more problems than we have had and they were more severe. I think that we need to compliment ourselves that we see the importance of going in the direction of using information technology in an area as important and one that affects the entire population such as national insurance.

Sir, I wish to make the point in connection with businesses. Apart from individual beneficiaries being able to access the National Insurance Scheme in order to determine the status of their contributions and benefits, as outlined by Senator Williams, I would like to think that this new information technology programme will make it easier for businesses to interact with the National Insurance Scheme.

I mentioned before, there is a difficulty in terms of time constraints with persons who have small businesses in finding time to go to the National Insurance Department to make contributions and fill out the appropriate forms, *et cetera*. I hope that in the future we might be able to do most of this via the Internet. This is why I think that it is always very important when looking at these specific pieces of legislation to have an overall view of what this Administration is trying to achieve in terms of a transformation of a society where more individuals will look to, not just being employees but will see that there is an option of owning their own business.

Sir, the information technology programme and policy, which Government is putting in place, supports this intention of seeing a broader business class. One of the ways in which this would be achieved is by bringing greater efficiencies to small businesses so that they can develop their business plans, recognise what their statutory obligations are and from the outset they should meet their statutory obligation. Sir, very little of this can be achieved in a broader class, if the individuals who have to interact with the institutions do not have access to the technology, and are not technologically literate. This is where we need to go and that is why I would wish to re-emphasise the Community Technology Programme through the Ministry of Social Transformation. 2.40 p.m.

I must say that I have been very impressed with this programme and I believe that this is partly what social

transformation is about, because we have to make that leap from a situation where we recognise the importance of being able to use pen and paper, to recognising the importance of being able to use a computer. In the future, it would become as ordinary as using a pen and paper.

Sir, sitting here we would recognise what a great disadvantage individuals would find themselves in, if they cannot read and write. It is my view that in the future, if we do not know how to use the new technologies, we will find ourselves in that disadvantageous position. Therefore, that is certainly my wish.

Mr. President, I would also say that this morning, the Minister of Social Transformation, the Minister responsible for Labour and myself were at the former St. Patrick's Girls' School, which is now a vocational training centre. I should like to let you know that I was a past student of the St. Patrick's Girls' School, so I was very pleased to visit that facility and see what is being done there.

There is a tremendous amount of training that is being done there for individuals who are learning plumbing, masonry, steel bending and all kinds of skills. Sir, what we would wish is for a Community Technology Programme to be instituted there as well, so that the broad masses of the population, who live in that area would be able to have easy access to that technology.

Sir, not only that, I believe that there would be a great synergy between those individuals who are learning those particular trades, if at the same time they have access to computers and the technology that would be able to enhance what they can deliver as a plumber or as a steel bender. One might think that the two are very separate and far apart but I believe that if you go on your computer now and in your search engine, you type in plumbing, you would find information there on plumbing that would assist anybody who is involved in that business. So, access to the technology is critical at this point in time.

There is no need for all new businesses in Barbados to reinvent the wheel, as they say. There is so much information that is out there and instead of teaching students in a vacuum about plumbing and believing that because they are doing plumbing, they would not need to use a computer and access the Internet as well, I think if we do that, we are not really seeing the true value of utilising technology.

Mr. President, in conclusion, I would wish to support this Bill. As I said, I believe that it must be seen within the context of this Administration seeking to bring discipline to business development in a way that maybe it was not seen before so that we have a situation where someone who is in arrears with respect to their contributions are not treated

forever as though they cannot come back into the fold, but that a facility is being provided, over a period of up to 36 months, to bring their situation back in good order.

With those few words, Mr. President, I would like to commend this Bill to the Honourable Senate.

SENATOR G. P. I. GOODING-EDGHILL: Mr. President, I rise to support the Bill before this Chamber and I would be very brief. I would like to make a few observations to do with issues surrounding the non-payment of national insurance by employers. I believe none of us would endorse this or any system whereby workers' NIS payments are not paid into the National Insurance Scheme.

Sir, perhaps we ought to put a trace system in place to ensure that employers who have responsibility for paying funds to the National Insurance Department pay in those funds. Perhaps it is already being sourced or it is already established within the National Insurance Department, so that whenever an insured person goes to the National Insurance Department to file a claim, be it for unemployment benefit or sick benefit, that there would be a trigger system built into the National Insurance Scheme which would allow the Department to put certain measures or institute certain steps in an attempt to go and meet with the delinquent employer and see what is going on.

I accept the point that there will be some instances where there is a serious problem of cash flow impacting on a business, but we cannot and we should not allow those persons who deduct funds by accounting, entry or otherwise, from the employee's wage or salary, refuse to pay them over to the National Insurance Fund. We need to find out what are some of the reasons impacting the non-payment of national insurance but, like I said, I would not support the non-payment of national insurance by employers.

Mr. President, I think we also need to go a step further. I believe that perhaps the time has come for there to be a new Central Revenue Collection Department or Agency, responsible for collecting the Government's revenue in one central place or through a series of offices. I accept for accounting purposes that the National Insurance Scheme is separate and we would have to have their accounting separate.

Mr. President, I also firmly believe in order to try to use information technology to our advantage and to have clear linkages to see whether there are some companies which are deliberately refusing to pay revenues over to the Government, that a system of triangulation could be put in place. Sir, we would probably want to look in a corporate registry to see if those companies, by their registration have that built into a system – an IT Programme, for example –

which would therefore allow the Government to see those entities who are paying and those who are refusing to pay.

In other words, by a company's registration number, the accounting officers within Government could look and see very clearly what is going on with some of these companies. Essentially, what I am trying to get at is that we have to look to see how best we can triangulate. If we move to triangulation, probably we would have an example whereby we can look and examine some of the reasons why these people are refusing to pay.

There are probably some people who are deliberately refusing to pay over the funds to the various Government departments. Therefore, I think that a new Central Revenue Collecting Department probably could assist the Government in collecting a lot of its outstanding revenues. We have heard from the Honourable Leader of Government Business in here speaking to this issue about the outstanding sums to the Government.

If we are to continue to provide the social services that we are to provide in this country, it is absolutely necessary that we put some significant measures in place, and triangulate as well to ensure that we have persons who are paying over to the Government what is due to the Government of Barbados.

Mr. President, I want finally to touch on the whole issue of payment of sickness benefits. For example, in the hospitality sector, there are major problems with the whole issue of sickness which is compromising service in that industry. I think that we have to look seriously to find out what are some of the reasons that are impacting the spiralling cost to the National Insurance Fund for the payment of sickness benefits.
2.50 p.m.

Sir, on that note, I want to support the Bill before this Honourable Senate and to say that it is absolutely necessary that Government continue to collect its revenue from all sources and that we should remain unfazed and resolute as we go about collecting the revenues for Government departments.

I am obliged to you, Sir.

SENATOR THE HON. E. R. GRIFFITH: Mr. President, I wish to thank all Honourable Senators for their contributions on this matter and to assure them that we have taken careful note of their various suggestions.

In closing the Debate, I join with those persons who have encouraged more self-employed individuals to register with the Scheme. I trust that in the future the managers of the National Insurance Scheme would see it as part of their

responsibility to be more proactive and to encourage more of those self-employed persons to get involved in the Scheme.

Mr. President, while it is true that if they do not get involved in the Scheme while they are employed they will have to pay some penalty when they retire, it is equally true that at that time the support systems of the country would have to come into play. Therefore, it is in everybody's interest to get those persons involved in the Scheme now so that they can make their contribution.

Mr. President, I have taken note of the issue raised by Senator Sir Roy Trotman. In that regard I wish to advise all of those companies who may have taken the position that this initiative is one that would be there forever that they should not think in that direction. This initiative is for a limited period of time, 36 months to be exact. It is not an avenue that is going to be available forever so that if they do not pay now they could continue getting relief, that is not the intention. The intention is to help people to get out of their problem, get them on their feet again and allow them to move on.

Mr. President, we have taken note also of the concerns raised in relation to the issue of inflation and the erosion of the benefits over time. Mr. President, I am sure that as the Scheme advances those responsible for its management will deal with those issues.

As a result then, Mr. President, I beg to 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. E. R. GRIFFITH, the Senate resolved itself into Committee, HER HONOUR SENATOR Dame Patricia SYMMONDS in the Chair.

COMMITTEE

MADAM CHAIRMAN: The Senate is in Committee.

Clauses 1 to 2 inclusive were called and passed.

On the motion of SENATOR THE HON. E. R. GRIFFITH, Madam 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. E. R. GRIFFITH, the Bill was read a third time and passed and cited as the National Insurance and Social Security (Amendment) Act, 2004.

ORDER NO. 3 – CIVIL AVIATION
(MONTREAL CONVENTION)
(AMENDMENT) BILL, 2004

SENATOR THE HON. E. R. GRIFFITH: Mr. President, on September 23, 1971 Barbados signed the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation which was concluded at Montreal. On August 6, 1976 Barbados acceded to that Convention and had it embodied in its legislation as Chapter 123A. Attached to that Act is a Schedule which sets out various offences and various acts that would be considered as acts of violence against the safety of airports serving International Civil Aviation.

Mr. President, the Convention and the Protocol which followed in 1988 at Montreal on February 24, and which came into force on August 6, 1989 addresses acts of violence at airports which would endanger the safety of persons using those airports, jeopardise the safety of operations at such airports and undermine the confidence of persons using the airport. They make provisions for the contracting parties to take appropriate measures of punishment for any offences committed. In summary, the Protocol itself states that if a person uses any device, substance or weapon at an airport serving international civil aviation that cause serious injury or death, seriously damages the facilities or aircraft located at the facility or disrupts service, the Contracting State can take the necessary steps to establish its jurisdiction over the offences in the case where the alleged offender is present in its territory, and it does not extradite him.

Mr. President, as all of us know, Barbados is a member of the International Civil Aviation Organisation (ICAO) which requires member countries to periodically report any offences of the nature mentioned here and what steps or measures they are putting in place to safeguard the operations of the airport facilities.
3.00 p.m.

I do not need to remind anyone of civil aviation in this age nor of the serious threat posed by the wave of international terrorism which is engulfing the entire world on the land and in the air. I was travelling on an aircraft last night from Jamaica to Barbados and a lady sitting on the other side got boisterous and noisy and asked to be allowed to get off the aircraft. The airline staff explained that she could not exit until the aircraft had landed. Fortunately, it was resolved without any danger to passengers or the aircraft because the lady did not intend to cause a problem but had taken too many drinks of an intoxicating nature.

Sir, there are persons in the world today whose sole objective is to create mischief. If you talk with them, they will say it is not mischief but that they have a cause to fight

which might be true but the cause is not in keeping with our cause.

Sir, the country can no longer take anything for granted at airports particularly when they depend on those facilities for a large part of their business. Barbados is one such case because it is a tourism destination which always promotes its international airport as one that can be a hub for the region. Sir, not only do we depend on our airport for a large number of persons to do business but as an avenue to pass through the region. If we are to make sure that persons use the facilities, we have to give them the confidence that when passing through Barbados they would be safe.

Sir, countries like ours around the world have to put in place various measures to keep the area safe. This requires legislation as the basis for any measure which we take. The matter before us is seeking to amend Cap. 123A because as days go by we realise that persons engaging in this area of activity develop new ways of doing old things and have also discovered new things so there is a need to change the legislation to cover all these possibilities.

Sir, the Bill is seeking to amend the Act. There is an amendment to Section 2 which defines what is meant by airport and one to Section 4(a) which speaks about the acts that can create problems at the airports.

Also, there is an amendment to Section 5 which deals with the Convention and, finally, there is an amendment to Section 6 which deals with renumbering the Schedules to the Act.

Mr. President, I want to reiterate that the objective is to make our international airport a safe place so that we can continue to attract the large number of persons who pass through it and to increase those persons so that the Airport can truly play its role as a hub to facilitate passage through the region as a whole.

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

SENATOR F. J. STUART: Mr. President, in order for the Montreal Convention 1971 to have municipal effect, Parliament would have to enact legislation giving effect to the provisions of the convention and this is precisely what Barbados did in 1976. Sir, since Barbados is part of the international community permitted to be controlled of international terrorism, it is only fair that we should seek to bring ourselves in line with steps being taken in other parts of the world.

The volume of air travel and, therefore, the increased use of airports since 1971 when the Montreal Convention was signed has perhaps sextupled and airports, therefore, are

good target areas for those who want to make a criminal point in support of their respective causes. One cannot afford to underestimate the sophistication of the group that we have come to call international terrorists. Barbados is quite right in taking all steps necessary to ensure that we inspire with confidence those persons who are going to visit us and who, within the nature of things, have to use our airport.

3.10 p.m.

Mr. President, the Opposition supports the Government with this amendment and we look forward to continued steps being taken to make Barbados a safe destination for those whom we play host to from time to time. As a tourist destination, as the Leader of Government Business said, we cannot afford to have people speculate as to whether or not it is safe to travel to Barbados. I think that these precautions are necessary and this would have been why Barbados became a signatory to the Convention in 1971 and why we enacted the legislation in 1976 to give effect to the provisions of the legislation.

Mr. President, ever since there were obligations to the international community in promoting a world that is safe, wherever gestures of the kind, upon which we embark today, would help in identifying us, not with international barbarism but with the courage of international civilisation, this country, through its Parliament. We support the amendment and we are pleased to associate ourselves with the efforts of the Government to strengthen our security mechanisms.

I am obliged to you.

Mr. PRESIDENT: Senator Collymore.

SENATOR B. R. COLLYMORE: Mr. President, a matter of security at the airport cannot be one for a division of any sort. I think that the recent events and the heightened alerts tell us how important it is for the security at the airport to be kept at a maximum at all times but there are aspects of civil aviation which, I suggest, might well be considered at this time.

First of all, the aviation industry has become more complex in many respects than it was before. The aviation industry has seen shrinkage, mergers and terrorism at its worst. Participation in the International Civil Aviation Organisation, as an organisation, and in all other discussions and conferences is something which Barbados must take seriously.

Sir, a few years ago, I believe that there was a seat on the International Civil Aviation Organisation that was available to the region. On that occasion it is Barbados' turn

to take that seat but we did not try to get on. We gave it up and Trinidad was able to continue. These are things that must not happen. I think that the framers of our aviation, rules and efforts indicate that Barbados did a good job by providing training for persons in aspects of aviation and ensured that there is some continuity in the ministry responsible for aviation.

I do not know of any training that has gone on in recent times. It even seems difficult to fill the position of Chief Technical Officer of Aviation. In the past we were able to second some of our aviation specialists to other countries or organisations. It seems that we cannot even find aviation specialists to fill our positions in the Ministry responsible for aviation. I am urging that this matter, which is probably as important or more important than anything else today in the economy of Barbados, be treated seriously and that we seek to provide a core of persons within aviation to ensure that we can participate in all the discussions to ensure that we have a continuity of service in important positions in civil aviation. That leads me directly into the area of security.

Mr. President, the Government of Barbados must be responsible for security because we are signatory to these conventions. I believe, our airport has been corporatised and under the Act giving effect to this, there is a provision that under the Transfer of Management and Vesting of Assets Act, 2003, that the airport will be leased to and will be managed and maintained by the Grantley Adams International Airport Inc. I do not wish to join the debate about what is corporatisation as against privatisation.

I have already made reference to a statement that appeared to have been made by the Chairman of Grantley Adams International Airport Incorporated in 1973 in which he was justifying the offering of a package to a Chief Executive Officer for the airport. He said, in 1973, that the airport would be moved from a publicly run company into a private sector organisation. He went on to say that it would be ultimately responsible for the financial management and planning of the company as it moves from a public ownership to a private ownership. Here was a hint of privatisation.

Sir, I am not saying that this is so but at least, as I said a long time ago, it requires an explanation from the Government because here the Chairman is saying that this is going to happen and security of the airport cannot be transferred to any company or corporation. Security has to be the matter of the Government itself. Mr. President, I would like to know how the Government would manage that security in the context of an airport that is no longer in control of its operations and no longer accepts that its air traffic control operations will be responsible to the Government.

I want to make two points. The first point is, that we treat aviation as, perhaps, the most important industry as it is the bedrock of our tourism industry and the necessity to have people in the system who will ensure continuity. Secondly, that security remains totally in control of the Government, and is not allowed to be seen being operated by any other entity in the country.

3.20 p.m.

SENATOR G. P. B. NICHOLLS: Mr. President, I am grateful for the opportunity to participate in this Debate of the Civil Aviation (Montreal Convention) (Amendment) Bill.

Sir, in doing my research, I had the opportunity to speak with my father who, prior to his retirement had worked in the civil aviation industry in this country for more than 25 years. I spoke to him in a very candid manner in relation to the kind of work that the airport staff has been doing over the last couple of years, particularly the refurbishment of the Airport at a time when Barbados had seen significant increases of cargo and passenger traffic coming through the Airport.

Sir, he, like other persons was a little disturbed at some of the commentators over the last couple of weeks, who have been criticising the management of the Airport in not being able to offer a smoother transition in that refurbishment phase in relation to the completion of the work. In doing my research, I discovered a lot of things about the civil aviation industry and I want to clear the air in my contribution to this Debate.

Sir, the airport project to which the Government of Barbados has committed over BDS\$139 million in terms of creating a new terminal facility at the Grantley Adams International Airport, has come under the pen of criticism of some political scientists and other persons in other avenues in this country, as one of the projects that are badly managed by the Government.

The Civil Aviation Industry as many Honourable Senators have said today, represents a very critical aspect of the machinery of Barbados' tourism product. The Government has committed itself to bringing Grantley Adams International Airport into the top class of all civil aviation centres. Sir, as Senator Stuart said, Barbados will join the international community in ratifying this Protocol which really gives effect to the Convention of 1971. This is why we would join wholeheartedly in bringing this Protocol as part of our own domestic law.

Mr. President, a lot of persons might not appreciate what we are doing now. It sounds very dry and very mundane, speaking about making sure that a treaty has municipal effect in terms of Barbados' law, but Barbados is a very small country. It has very few resources but it has had

to manage its civil aviation industry alongside many other countries which are more powerful and have more to gain from their civil aviation industry.

Sir, alongside the Montreal Convention, there are a number of other conventions. There is a Tokyo Convention and Cap. 123B of the Laws of Barbados deals specifically with offences committed aboard aircraft. This was signed at Tokyo on September 14, 1963. There are also the provisions of the Hijacking Act, certain provisions of the United Nations Charter and the Convention of International Civil Aviation. Barbados, like many other countries, has had to respond to a number of these initiatives in relation to beefing up security at our ports of entry, both at the airport and the sea port.

Sir, notwithstanding the lack of resources that we have in terms of financial resources and personnel to grapple with the new issues of international terrorism and security, we have had to commit a significant amount of resources in insuring that the airline industry in relation to its civil aviation aspect, does not necessarily fall out of favour with what is going on in the international community.

It is to that extent, Sir, I want to register the Government's commitment to ensuring that Barbados has an airport which will be the premier civil aviation centre, not only for human traffic but for air cargo in relation to the Eastern Caribbean and it will also investigate the possibility of making sure that the Barbados airport, the Grantley Adams International Airport, becomes a major hub for traffic in and out of Central and South America. Those are long-term plans and we have seen, those of us who have had the fortune of passing through the Airport despite the massive refurbishment and renovations going on, that people have been able to move freely in and out of the Airport at this time without significant delays or hindrances.

In fact, I find, Sir, that travelling through the Grantley Adams International Airport at this stage of its refurbishment, is easier than travelling through Miami International Airport, Gatwick or any of the other international gateways in terms of the comfort of a passenger having to travel through them, and security is no less compromised as a result. I think that we can applaud those persons who work in the civil aviation industry at this stage for their great effort, not only in beefing up the security at the airport but by facilitating those persons who travel to and from the Airport.

The Government of Barbados, like any other Government, is committed to acceding to these conventions, particularly as a result of bringing about some form of uniformity in the regulations, standards and procedures. The ultimate objective, Sir, must be to facilitate those persons who use our airport, to do so safely and without hindrance.

The Grantley Adams International Airport has had to cater to an increased amount of air traffic and passenger traffic as a result. When we look at the airline industry as it stood a couple of years ago, as compared to what obtains now, we have today in Barbados a record number of US carriers, commuting passengers to and from Barbados on a daily basis. It is a good fortune I say, Mr. President, that we did not have before. We have access to gateways in North America that we have not traditionally enjoyed, and I am speaking more specifically about US Airways coming out of Philadelphia and now, Continental coming out of the eastern seaboard, from non-traditional gateways.

This increase in Airlift capacity, Mr. President, as I said, has come about at a time when the Airport staff, the people who manage the plant, also have to manage the refurbishment and the construction that goes on at Grantley Adams International Airport. In 2003, a total of 2 130 339 commercial passengers passed through the Grantley Adams International Airport. It is the most passenger traffic in the history of civil aviation in Barbados. It represents an increase of 103 618 persons or a 5.11 per cent in the air traffic passing through the Grantley Adams International Airport, in 2002.

Mr. President, last year, the Airport again got the trophy from the Air Travel Awards, as the leading Airport in the Caribbean. This is the third such award that the Grantley Adams International Airport has had the privilege of gaining since 2000.
3.30 p.m.

Mr. President, one may want to wonder why it is that sometimes people criticise certain things when they have a duty in their criticism to be balanced. I am not saying that the Barbados Labour Party does not like negative criticism, but when a statement goes out to the public that the Airport refurbishment process is one example of bad management by the Barbados Labour Party to deal with projects, we have to examine not only the motives of the persons who made the statement...

Mr. PRESIDENT: Senator Nicholls as usual I am reluctant to interrupt you, but I hope that you will establish a connection between what you are saying and the Bill that is before us.

SENATOR G. P. B. NICHOLLS: Yes, Sir, I would most certainly establish connection.

Sir, the fact is that this Bill before the Senate in terms of what we are considering today deals with civil aviation and our capacity to respond to our challenges in the international environment as part of the community of international nations. However, at the same time we are

considering these changes to the Barbados domestic law and at a time when the Airport is expanding under significant stresses and strain, you have persons in the wider Barbadian society who ought to know better criticising those persons who are doing their very best to ensure that we expand our Airport to deal with the increased air traffic coming in and the increased passengers moving throughout the Airport.

Sir, we have a duty to report a balanced and fair representation of what goes on at the Grantley Adams International Airport. There is no better opportunity than in debating this Bill before the Honourable Senate to let the people of Barbados know that the Airport is indeed one of the best projects being run by this Government as we continue to commit ourselves not only to our international obligations but also to the safety of all passengers passing through the Grantley Adams International Airport. Indeed, Sir, I reiterate my initial comments that this is most relevant to the discussion, but, Mr. President, I will go on.

Mr. President, the Airport has caught that prize for the best Airport in the Caribbean and we must of necessity not sit on our laurels because prevention is better than cure. I want to point out a number of security measures which the Airport has set in train in addition to the passage of the provisions of the Protocol which expands the ambit of the initial Treaty from 1971. There is a new security system in relation to the improvement of security lighting; close circuit television and monitoring; new security communication between Airport staff; updated paths and access control systems from all access points from the Airport.

Indeed, to upgrade the security fencing at the Airport from the eight feet high that presently exists to ten feet high to meet the international requirements and also to extend the fencing to new areas of land which has been acquired by the Grantley Adams International Airport Inc. as they are obligated to acquire more land in order to secure the areas immediately outside of the main activity, will cost in the region of BDS\$350 000. These are a number of projects that are going on as we speak.

Mr. President, in addition to the security aspect of the Airport development going on today, Barbadians will be happy to know that there is a waste water reclamation plant which is expected to replace the current septic systems at the Airport to recycle between 70 to 90 per cent of water for non-potable usage.

In addition to that aspect of the construction, there is the use of the Common Use Terminal Equipment which is known as the CUTE System which is really an automatic passenger processing system which would allow various airlines in times of plenty or in times of not so plenty to utilise common stations in relation to being able to facilitate more passengers through the Airport. In the past if an airline

had five stations, it could not utilise another station if at any particular time it needed more counter space. This automated passenger processing system will now allow the airlines more flexibility to use the ticket counter space as required to meet low and peak demand periods.

Mr. President, we are conscious of our international obligations. We are also conscious of the position of the civil aviation industry in respect to its importance to the delivery of a special tourism product. We are also saying to the rest of Barbados that the Grantley Adams International Airport as it presently exists has the capacity not only to service the tourism industry but to service the overall economy of Barbados in bringing the civil aviation industry as part of that services economy that we contemplate would do well for the future of this country in the long run.

So the Government of Barbados, by committing itself to this Bill and to every single international convention that would enhance the safety of persons using the airport in Barbados; analysing our relationship in respect of our air services agreement with other entities, other countries and other airlines; in the negotiation of other routes and possible gateways into places like Brazil, Venezuela, South Africa and Germany and all of the other negotiations to which the airport staff is committed right now, will not compromise the integrity of the security system at the Grantley Adams International Airport.

Indeed, some other Honourable Senators, I believe it was the last Honourable Senator who spoke before me, spoke about the difference in terms of the environment in which we now operate. Quite frankly, 20 years ago civil aviation was not seen as a very big or important industry or ministry in relation to the economy of Barbados, but as a second-rate adjunct to another ministry. Now that we have seen what international terrorism has done to the airline industry across the world, we have recognised that prevention is better than cure but at the same time it is an industry that is too vitally important for us not to have a sufficient response to the vagaries of the international environment, particularly one dominated by terrorists.

Mr. President, I want to lend my support to the passage of this Bill. I just wanted to respond to a number of spurious allegations and unwarranted criticisms of the airport process.

To you, Sir, I am much obliged.

SENATOR R. W. GRANT: Mr. President, I rise to give my support to this Civil Aviation (Montreal Convention) (Amendment) Bill and to make my contribution. 3.40 p.m.

Mr. President, the importance of civil aviation to the Barbadian economy cannot be denied. It facilitates the movement of people and cargo, creates linkages with communities and provides an opportunity for various cultures to interact. Indeed, civil aviation provides an opportunity for Barbados and Barbadians to participate in the global economy. The tourism economy is recognised as the main engine of economic growth in Barbados and civil aviation must be seen as the catalyst in facilitating that economic growth.

Mr. President, it is therefore imperative that we take all the necessary measures to enhance civil aviation. Sir, to achieve the objective it would be necessary to enhance and strengthen existing legislation to increase the number of scheduled and non-scheduled, non-commercial passenger and cargo aircraft coming into the country. It would also be necessary to expand the airport facilities and create an environment which is conducive to growth for those entities affected directly as well as indirectly by civil aviation.

Mr. President, the Government of Barbados through the Minister of Tourism and International Transport and the Barbados Tourism Authority has been taking the measures necessary to enhance civil aviation. Senator Nicholls made reference to a number of airlines which have been coming into Barbados in recent times.

Mr. President, on a previous occasion I reported to this Honourable Chamber the number of new airlines coming into Barbados and I wish to reflect on a few of those operations because it is important to understand that as we seek as a Government to enhance civil aviation we are at the same time ensuring that we enhance our air transportation network as well.

Sir, in February 2001, Caribbean Star started operations facilitating four routes.

The commitment was given in order to ensure that the Grantley Adams International Airport operates in a more efficient and effective manner.

Mr. President, civil aviation is presently regulated by the Barbados Civil Aviation Regulation Act which is more than twenty years old. It is difficult to administer as well as to enforce in today's reality because the existing legislation does not outline any duties of the Minister or provide any powers to inspect, investigate, seize any evidence, detain any aircraft for safety or security reasons.

I am happy to report to this Chamber that a new Civil Aviation Bill is being drafted for submission to Cabinet and Parliament and is expected to be enforced no later than December of this year.

Mr. President, proper airport facilities are necessary for us to exploit the full benefits of civil aviation. Sir, the Grantley Adams International Airport is presently being expanded to ensure that the airport can effectively deal with the demands to extend the useful life of the airport and to allow the ability to handle passenger traffic up to 2,000 passengers an hour. Previously, the handling capacity of the airport would have been 800 passengers an hour. That capacity is now being increased to 2,000 an hour.
3.50 p.m.

Sir, there are two main components in the Airport Expansion Project. I want to speak to these briefly with respect to civil aviation because, as I indicated, it is necessary in seeking to ensure that civil aviation is enhanced, that we also enhance our airport facilities.

Mr. President, a suggestion has been in the public domain that the Airport Expansion Project is over budgeted and is not being managed effectively. There is a component to the airport expansion project known as the Pavement Works Programme. That programme essentially was substantially completed in September 2000 and provided for the refurbishment to runways and concrete parking positions. The initial cost of that aspect was \$44.5 million. It was subsequently decided that in addition to that work there would be the repaving of the runways and that resulted in the increase of the project to \$50 million.

Mr. President, there is also a component known as the Terminal and Associated Works.

Mr. PRESIDENT: Senator Grant, I would be failing in my responsibility if I did not draw to your attention that what is before us is a Bill to give effect to the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation which supplements the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation. I have given a fair amount of latitude but I would just ask you to bear in mind what is before us.

SENATOR R. W. GRANT: I am guided by you, Mr. President. I simply wanted to demonstrate that as we seek to enhance our civil aviation that we have to have the necessary infrastructure that provides for the safety and security whether that safety or security relates to ensuring that the taxiways and runways are in a pristine condition, so that there is no question whatsoever about the fact that Barbados remains a safe and secure destination.

Mr. PRESIDENT: Very well said Senator. You may continue in that vein.

Asides.

SENATOR R. W. GRANT: Sir, included in the Terminal Works Programme is an area dealing with security. I want to report that there is an installation of a new security system for the airfield perimeter and the terminal complex at the airport and it is in an advanced stage. I also want to report that the system provides for improved security lighting, close circuit television and monitoring, biometric and swipe card access controls, security communication and monitoring posts.

Mr. President, I wish to say to this Honourable Chamber that the integrated security system is well advanced. The Civil Aviation (Montreal Convention) (Amendment) Bill, 2004 refers specifically to acts of violence at airports which would endanger the safety of persons using the airports. It refers to acts that would jeopardise the safe operations of the airports or acts that destroy or seriously damage the facilities of the airport or aircraft not in service at the Airport. The installation of the surveillance equipment is 85 per cent complete and the surveillance centre is operational.

Sir, I want to make one more reference to the Airport expansion if permitted to do so. Initially the project was estimated to cost \$123 million but today it is going to cost \$139 million. The reason for that is that initially the project office did not include a provision for the payment of Value Added Tax and in addition to that there has been a component included for work to be done with respect to fire hydrants, water mains and a proper sewerage system in relation to Terminal One. I just wish to give them as an explanation to this Honourable Chamber.

Mr. President, it is very important that we in Barbados take every precaution to ensure that we safeguard civil aviation. I want to make it abundantly clear that this Government will do nothing to compromise security at the Airport. I also want to make it clear that as it relates to staffing at the Airport because I heard reference being made again by Senator Collymore that there are positions at the Airport which need to be filled. As Senator Collymore spoke, I reflected on a number of documents and I am not aware of what Senator Collymore is speaking about. I know that every senior post at the Airport has a functioning officer and I am aware that the Government of Barbados, through the Ministry of International Transport, has been at the forefront of ensuring that the institute which exists at the Grantley Adams International Airport for training is properly utilised. I would not want in this Debate ...

SENATOR B. R. COLLYMORE: On a point of order, Sir. I never made reference to posts within the Ministry of Civil Aviation where policies are developed. There have been for many years two posts that deal with international agencies and formulate policies; that is what I was referring to.

SENATOR R. W. GRANT: Mr. President, Senator Collymore speaks in a broad manner to these posts or to the Ministry responsible for Civil Aviation. I am not aware of what Senator Collymore speaks. I know that the International Civil Aviation Organisation facilitated an audit in Barbados and the Ministry of International Transport is in the process of seeking, through the Ministry of the Civil Service, to increase posts at the Airport, that is what I am aware of. I do not know what Senator Collymore is speaking about. I feel, Mr. President, that...

4.00 p.m.

SENATOR B. R. COLLYMORE: Mr. President, on a point of order. I identified within the Civil Aviation debate, the position of Chief Technical Officer.

SENATOR R. W. GRANT: Mr. President, as far as I am aware, there is a Chief Technical Officer operating within the Ministry who is responsible for civil aviation. So, that statement does not accurately reflect what is happening. I make the point again, Sir, I am not aware that there is any vacant post administered through the Ministry responsible for civil aviation at this stage.

I want to say, and I made this point before, that we have the responsibility when we come to this Chamber to be accurate in the statements that we make because we are also responsible Senators. I know that being responsible and Honourable Senators, we would not wish deliberately to mislead this Chamber.

SENATOR B. R. COLLYMORE: Mr. President, on a point of order. Civil Aviation is a specialty. You do not put a person trained in shipping to do civil aviation. You had an acting appointment for years since Kingsley Clarke left...

Mr. PRESIDENT: Sir, that is not a point of order. Please proceed, Senator Grant.

SENATOR R. W. GRANT: Thank you, Sir.

Mr. President, as I was saying, I believe that when we come to these Chambers, we have a ...

Mr. PRESIDENT: Could you just move on, if you wish to say something about the Bill, please.

SENATOR R. W. GRANT: I will take guidance from you, Sir.

Mr. President, as I indicated, it is the intention of this Government to ensure that we enhance our civil aviation environment while ensuring safety in accordance with international standards. I believe that enhancing the civil aviation environment will provide, Sir, for a greater contribution to the economic and social wellbeing of Barbados.

Mr. President, it is imperative that we safeguard our future. We must therefore ensure that all the necessary legislation is enacted to safeguard operations at the airport to protect our air transport links and, thereby, to ensure that we secure a better life for our people.

Sir, I support this Bill and I wish to encourage all Honourable Senators to do likewise.

I am obliged to you, Sir.

SENATOR Dr. D. S. LOWE: Mr. President, I do not intend to further antagonise your patience, as it has been done, unwarrantedly so, Sir, but I wanted to rise to rescue this Debate from this partisan path that it has taken since my esteemed colleague made his contribution in such an eloquent way.

Mr. President, the Opposition has clearly set forth a position of support for this piece of legislation. We do understand the importance of seeking to enhance the quality of service and the facility of the Grantley Adams International Airport as a matter of expediency. We now live in a day where Barbados continues to reach for a higher level of functioning within the regional and international communities and seeks to bring along its services so that there is some concert between where we are reaching to go and what we are offering to the public.

Sir, let me restate our position. We have no difficulty with the attempt to bring this legislation to bear on our domestic policy. We have no difficulty with the intent of the Government to seek to create an international airport that is second to none. We have no difficulty with the Government seeking to expand facilities to enhance the capacity of the airport, and we have no difficulty in understanding that new aircraft are coming and going. It is a part, Sir, of the building capacity of Barbados because we know that aircraft are coming and going and aircraft are coming and staying. As a matter of fact, the Concorde is still here. I regret that no reference was made on the permanent stay of that but, Sir, I will move on.

Mr. President, we do understand that in terms of creating a world class international airport, we must not only look at the enhancement of the physical environs but we must also look at the enhancement of the capacity of the persons who present the service at the international airport to present a first class service.

Therefore, I would want to indicate to this Honourable Chamber that as we spend more than BDS\$100 million to retrofit this facility, to ensure that as we continue to attract new business and new visitors, that the workers of the international airport are given some needed help in terms of their capacities to create a more safe and friendlier environment.

In fact, Sir, I just passed through the Airport recently and I must submit as a part of the record that the facility is, in fact, much enhanced.

Asides.

SENATOR Dr. D. S. LOWE: I was also attracted to a very painful experience. I hope that I would get the same kind of affirmation on this, but, Mr. President, I witnessed the transaction of a service at a point of service in the airport, with a visitor who was coming in and a security personnel at the Airport. I would not pinpoint the category of worker, but it was a most hostile exchange for no reason at all, because the landing passenger did not receive the necessary immigration clearance card from the aircraft. I do not remember the name of that piece of document. The attendant at that particular point of service was most distasteful in their presentation of what should, and should not obtain.

I am saying, Sir, that as we present our international airport as a world class facility, while we go about seeking to refurbish the external environs, I would want to offer a piece of advice to the Government, please pay some attention to how we outfit the workers in that environment to ensure that they present the Government's intention in the most attractive package.

I must go further and I must say, Sir, that as we look at the expansion of the Airport, and the creation of a more elaborate facility to accommodate the safety and other things that the Airport must have, I would also want the Government to remember those persons who are being displaced in this effort to accommodate this kind of expansion. Sir, there are some people in the area of Thyme Bottom and Fairy Valley who have been displaced for some time. Therefore, I would hope that as we continue to take on board the acquisition of land in order to do what is right and what needs to be done that those persons who are affected by this transition or change, are also taken into the fullest consideration of the Government.

Sir, it is only fair that while we seek to accommodate and create a destination for international visitors that we do not disadvantage our own people in the process of modernising the facility at the Airport. I would hope that the Honourable Leader of Government Business would have something to say about this because I think that the time has come when those persons should be relocated. They have been waiting for too long and not enough has been done for them. If there is resiting going on, those persons who are immediately affected should be at the top of the list for the resiting. That is a fair request because at the end of the day we cannot make our country more attractive for those who come to visit us and less attractive to those who must live here every single day of their existence.

4.10 p.m.

Sir, I just wanted to ensure that the impression given is

not that the Opposition is against this legislation as was the attempt of some to do, it seems, unless they were arguing with themselves but that simply what we are trying to do is to ensure that it is known where we stand on that position.

Mr. President, I am much obliged to you.

Mr. PRESIDENT: I was about to ask you Senator what Thyme Bottom and somewhere else had to do with the Debate but you did not quite antagonise my patience.

Asides.

SENATOR THE HON. E. R. GRIFFITH: Mr. President, having listened very carefully to the contributions of all Honourable Senators who spoke, I do not think that I am incorrect in concluding that we are all agreed that this piece of legislation before us is absolutely necessary if we are to continue to inspire confidence in the international community that Barbados is a safe place for aircraft to land and take off. I think we also agreed that Barbados, as a signatory to the Montreal Convention and the accompanying Protocol, is taking the correct course of action by embodying these changes into the existing legislation to expand the areas of coverage to that legislation.

Mr. President, I have taken note of the concerns voiced by Senator Lowe and I just wish to assure him that it would not be too long now before he sees the results that he is expecting as measures are being put in place so that matter would soon be resolved.

Mr. President, I beg to 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. E. R. GRIFFITH, the Senate resolved itself into Committee, HER HONOUR SENATOR Dame Patricia SYMMONDS in the Chair.

COMMITTEE

MADAM CHAIRMAN: The Senate is in Committee.

Clauses 1 to 6 inclusive were called and passed.

On the motion SENATOR THE HON. E. R. GRIFFITH, Madam 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. E. R. GRIFFITH, the Bill was read a third time and passed

and cited as the *Civil Aviation (Montreal Convention) (Amendment) Act, 2004*.

ORDER NO. 4 – THE BARBADOS WATER
AUTHORITY (AMENDMENT)
BILL, 2004

SENATOR THE HON. E. This piece of legislation has arisen because the Barbados Water Authority had a loan facility with the Barbados National Bank which was supported by a Letter of Comfort.

Mr. President, the Central Bank of Barbados, in doing its usual inspection, took the view that the Letter of Comfort was not adequate coverage and that it was not in keeping with the requirements of the Financial Institutions, Asset Classification and Provisioning Regulations of 1998. Mr. President, those regulations, as you would know, deal with the type of documentation which should be submitted by applicants to lending institutions to support the provision of some credit facility or loan. Therefore, it is necessary to make sure that the documentation is of such a nature that the lending institution is not unduly exposed.

Mr. President, the Central Bank of Barbados was of the view that the provision of a Letter of Comfort was not adequate coverage to support the lending, so they decided that it would be necessary to have a guarantee by the Government as appropriate and adequate coverage for that facility.

The existing legislation, the Barbados Water Authority Act, does not speak about any such provision in terms of a guarantee. Therefore, this legislation is simply seeking to amend the Barbados Water Authority Act to deal with the issue of guarantee. It is not any new lending, the lending already exists, it is simply a matter of upgrading the security by way of a guarantee to the Barbados National Bank.

On that basis, Mr. President, I beg to move that this Bill be read a second time.
4.20 p.m.

SENATOR F. J. STUART: Mr. President, there is no need to detain the Senate on this Bill because the Honourable Minister has properly explained the rationale for the amendment. I wish I could have said a little about the Barbados Water Authority in the context of the Bill but having regard to the fact that public sector reform has not yet reached the Barbados Water Authority, I am not in a position to do so.

My investigation reveals that in spite of Section 25 of the Barbados Water Authority Act which requires the Board not later than five months after the end of the financial year to submit a report to the Minister to be laid in Parliament. The last report laid in Parliament was in the year 2000 so we are four years behind time in dealing with the affairs of the Barbados Water Authority.

In spite of the tempestuous relations that have existed, there are workers' problems, personnel problems, problems of outsourcing, overtime and so forth and attempts to deal with these issues in a frontal way are cheated of fulfilment because of the inefficiencies at the authorities in respect of issues as basic as the preparation and production of an annual report.

I hope that in the not-too-distant future one may be able to ask some fundamental questions about the Barbados Water Authority having regards to the fact that over the last three years in particular the population has been anything but satisfied with the services rendered by that Authority. I am aware that the trade union has had to move in at the Authority to quell disquiet there among workers because of tyrannical management practices but I should have to postpone consideration of all of this until I am better apprised of what is going on at the Authority, hopefully, some time before the end of the millennium when the Barbados Water Authority feels able to comply with the law and make its annual reports available in a timely fashion.

Sir, having regard to the narrow compass of the Bill and the rationale for the amendment given by the Minister, we on this Side are inclined to put no obstacles in the way of the Government and the Bill, therefore, has our support.

Sir, I am obliged to you.

SENATOR Sir John Stanley GODDARD: Mr. President, like Senator Stuart I was looking for a more recent audited financial statement but the last I could find was the year 2000 and I noted that between 1995 and 2000, the Barbados Water Authority lost approximately \$15 million.

There have been a lot of complaints and dissatisfaction about how the Water Authority has functioned in recent times with regard to its pumping capacity. Sir, Barbados is a water-scarce country which relies on rain water but we have had break-downs of equipment and the pumps. What is highlighted more often than not is the system of distribution because many of our mains are very old. There are two fundamental problems, the pumping capacity and distribution of the water. Sir, I am not competent to elaborate on either problem but I will simply describe them as fundamental problems.

Sir, from experience, I want to highlight a third problem which is billing and collection of money from customers. We may have the technology of metering but we should be able to inspect all meters so that we do not lose revenue.

Sir, I also know of places where meters have been installed over a year but persons are still being charged the fixed rate which is less than the metered rate and the Water Authority would be losing this revenue. Sir, the Water Authority is providing an essential service but it should be in a position to optimise its revenue.

Sir, I support this amendment.

SENATOR T. E. BARKER: Mr. President, I rise to give my support to this small but significant amendment, the Barbados Water Authority Act. The Honourable Minister who introduced the legislation gave the reason, we appreciate the need for the change, and by and large, we support it.

I want to take a few minutes to look at the importance of water distribution and why this change in the legislation is so vital. As we know, we depend on water for our existence not only in the physical sense but in an economic sense.

4.30 p.m.

Sir, some people would agree that a major portion of the Barbados Water Authority's problem stem from the actions in the mid-eighties, when the Barbados Water Authority was wisely allowed to build up their resources, over \$27 million. They knew that the time would come when the pipes would need to be replaced because those pipes were laid in the 1950s.

Asides.

SENATOR T. E. BARKER: There was a wide expansion in the water network in the 1950s. Those pipes were made of cast iron and there would be wear and tear. The money was allowed to build up because a time was going to come when many of the pipes would need to be replaced at the same time. After the disastrous tax change in 1986 when the Treasury suffered the debilitating effects of an unwise tax table, the money, which was put there for the replacement and enhancement of the mains...

Asides.

SENATOR T. E. BARKER: The money was put there because we knew that there would come a time when we would need to do some serious work on the mains. It was not put there for a rainy day. It was put there as part of a wise ongoing programme for the replacement of the mains.

Sir, the money went into the Consolidated Fund and a lot of the problems that we are suffering today with our water system can be traced to that unwise action where the Barbados Water Authority was bereft of funds to carry out a proper mains replacement programme.

Mr. President, that is historical but we need to fix it. We need to ensure that despite the difficulties we have to maintain the integrity of our water system. Therefore, it means that the Barbados Water Authority and the Government have to find ways of ensuring that money is available at the disposal of the Barbados Water Authority to carry out its programmes. All of us will complain when we do not get water or when the water is not fit for drinking.

Sir, it is a reasonable expectation that all the citizens of this country expect and demand reliable, clean and safe water. At the same time, the Barbados Water Authority expects us to pay our bills. That is the other side of the coin. We have expectation and responsibility. The point is, Government has to make sure that there is money available for the Barbados Water Authority to carry out its programmes and the citizens of this country also have the responsibility for paying their bills.

Sir, there are too many instances where people are not paying their bills and it seems to be an ongoing problem and there seem to be no solution. I would contend, and I am sure many of us would agree, that the nonpayment of water rates by some people would eventually cause those who are paying their bills not to pay either. There is a cost associated with getting the water from 200 feet underground into our homes and the cost must be borne by the users of the facility. If persons are allowed to get away with not paying their bills, then those who are paying would have to pay more. We cannot allow that to happen.

Sir, for those who are unable to pay their bills because of certain circumstances, the Government will pay them through the various welfare services, and that is the right thing to do. Water is a precious commodity and we have to ensure that a person's circumstance should not deprive them of such a commodity. However, we have to ensure that those who are able to pay their bills do so.

Mr. President, we all will agree that the water rates in Barbados are generally low and we should get into the habit of including our water bill when we pay our bills each month. I heard people on the call-programme talking about how important water is and that it is more important than electricity. I do not think that we should get into that sort of argument. If we believe that water is more important than electricity, then we have an obligation to pay that bill first to reflect its importance.

Sir, I hope that people do not think that because water is being provided by a state organisation that they should get away from paying their bills. The cost of laying mains is expensive and the Barbados Water Authority must have revenue at its disposal to be able to carry out its programmes.

Sir, the point is that the Barbados Water Authority has to intensify its programme of replacing the mains. I am told whenever major roads are being resurfaced that the Barbados Water Authority takes the opportunity to replace mains. I am also told that now that Martindales Road is being resurfaced that the Barbados Water Authority has taken the opportunity to work on other road work activities. It is vital that if we are to maintain our position in the tourist industry, we have to ensure that we have an adequate water supply. Barbados prides itself on the fact that people can come to Barbados and use the water direct from the tap. In some countries you cannot risk drinking water straight from the tap. We are in a fortunate position and it did not come about by accident. It came about because of the hard work over the years by the Barbados Water Authority and other agencies to maintain the authority of the water supply. In addition, we also have the God given fact that our water has a natural filtration system, 100 feet or more of coral that acts as a natural sieve to remove all of the impurities.

4.40 p.m.

Sir, on that point, I want to appeal to people to understand the implication of proper water zoning. It is not a case of the Government seeking to prevent persons from doing what they want to do with their land but above all, the integrity of our water supply must be paramount. When the Government instituted zoning, it did it because it was aware of the fact that nitrites and other chemicals can impair the purity of our water supply, so we have to respect the zoning requirements.

Sir, in this modern day and age, with the advances in technology, we believe that people can be allowed to live in places like the Belle, My Lord's Hill and those areas, using modern techniques and modern practices. Maybe this would call for its own sewerage system or whatever, so that people could be allowed to live in some sensitive areas. These people must bear in mind that there are going to be certain constraints, indeed, certain restraints on the sort of activity that they can carry out. Even in agriculture, the simple use of fertiliser and so on too close to a water catchment area, the well, or to the water table can have a serious effect on our water supply.

Sir, while I am on that score, I heard a speaker allude to the fact that we are a water-scarce country, and that is true because we depend totally on rainfall. We know that there are four or five months in the early part of the year where there is little or no rainfall. The latest figures indicate that

we use close to 40 million gallons of water per day. This is a lot of water and as we become more advanced, it is possible that the water usage could be increased.

Mr. President, do not forget, we have about a half of a million long-stay tourists coming here every year and that equates, when we take into account the electricity, to adding another 10 000 persons to the population. Sir, we do not only have to cater to our local population, but we have to add another 10 000 in terms of visitors, from whom we derive a lot of income to maintain our standard of living.

Therefore, we have to look at new sources of water and that is why the Government must be commended for ensuring that there is a desalination plant, and that we are becoming versed in the technology of desalination, because in years to come, we may have to consider two or more plants. Sir, we are learning the technology at a time when it is very much needed, but the need is not urgent. We do not wait until we must have it yesterday to put it down, because when we do not use the water for a long time, obviously the water that is in our aquifers stays where it is. The Government has been innovative in that regard. We are told that the plant is working well and it is enhancing the ability of this country to service the water needs of the locals and visitors.

Sir, something also concerns me. We are not using our spring water well enough. For example, the water at Three Houses and Bath. I believe that the agriculture in those areas can benefit from an aggressive use of these waters. I remember driving across the East Coast after some rain, and I noticed the sea water looking very discoloured, where the water came off the hills and went into the sea. I asked myself if there is not a case where we can trap some of that water inland and use it for agricultural purposes, because we have to be careful using the drained-off water for drinking purposes. If we use that for agriculture, then that would free up some of the filtered water for domestic purposes.

The Government is looking at these measures and also the use of water from the existing sewerage plant and the proposed one on the West Coast for lawn and domestic purposes. I do not think we can really allow all of that water to flow into the sea. Sir, that is why it is very important that the Barbados Water Authority be kept in funds, so that they can carry out the distribution programme and developmental programme, in order to ensure that 30, 40 or 50 years down the line, the people of Barbados still have a reliable water system. Therefore, this Bill, Sir, is very important.

Sir, I would not want to end without looking at the whole question of water conservation and the proper use of water. I think that too many of our households, and agriculture is guilty to some extent, are not as efficient as they should be in the use of water. I am told, Sir, that the

Ministry of Agriculture is working on a programme of having the farmers use better irrigation techniques. The idea of sprinklers is probably outdated. We are told that the irrigation system is better but the research has to continue.

Yes, as we expand agriculture, and we must expand agriculture, it is going to call for more water but there is a limited amount and we must ensure that we use the water that we have, efficiently.

Of course, we must appeal to the householders to be more frugal in the use of water. Do what you have to do, and I am sure that all of us with a little effort, can effect considerable savings in the use of water we use. Sir, not only would it be of benefit in terms of our pockets, but the country would benefit and our grandchildren would also benefit from our efficient use of water.

Sir, I support this legislation and I venture to say that all of us in here would support the legislation. It is vital that we keep the Barbados Water Authority in a position that they can service the needs of our people because that must come first, and their needs must be satisfied. This Government will do all in its power to ensure that, not only now but we have to be proactive and ensure that in the future, the Barbados Water Authority not only has the mandate but it has the tools to carry out its mandate on behalf of the people of Barbados.

I thank you, Sir.

SENATOR THE HON. Miss L. V. EASTMOND: Mr. President, I wish to support this Bill which, as the Leader for Government Business indicated is really to put in place a guarantee, with respect to payment of any amount borrowed by the Barbados Water Authority together with any interest payable...
4.50 p.m.

Mr. President, I know that many Barbadians, in hearing any discussion with respect to the Barbados Water Authority would wish to think that this Bill and this guarantee of which we speak is a signal that many of the issues that have been raised with respect to the provision of water in Barbados are being addressed. This is a general comment for many residents in Barbados but I am under a particular obligation to speak on behalf of those residents that I know best, the residents of St. Philip West. Of course as you would know, Sir, Senator Stuart also knows them quite well and I know that he would also wish me to speak on his behalf, he being one of my constituents as well.

Mr. President, I would like to ensure that this issue of a guarantee would ensure that the calls of the people from Ebenezer, Carrington Hill, Harlington and Chapel will be

met very speedily. They are not asking for a lot. All they are asking for are new and larger water mains.

Mr. President, many individuals when they first set up their homes would have used the half inch pipes and they are now suffering from low water pressure. I think that many of us would have been aware of the situation where individuals were complaining about the colour of the water they were receiving in their taps. This has been a long outstanding problem. I am sure that the residents in Ebenezer, Hampton and Hamblin Road would be very happy if these matters are addressed in a very timely fashion. I know of these concerns because I canvassed the area and even though these problems have not been addressed, I continue to visit the residents. Mr. President, it is not an easy thing when individuals are speaking to you about access to water not simply for themselves but for their children and then you meet and interact with the children. I met a very, very nice little girl who at a very tender age is very enthusiastic about this Government but unfortunately her parents have complained that they are having problems with water. I continue to have to face these individuals and it is rather difficult for me.

Therefore, I hope that through this guarantee that is being put in place with respect to the borrowing of funds that we might see some easing of the situation for these individuals who have been complaining about their state of affairs for some time now. I would like to certainly reassure them that I am doing my part as a Minister within this Administration to ensure that their concerns are always at the forefront of any discussion about water distribution in Barbados and about improving the services that are being brought to the people of Barbados.

With those brief remarks, Mr. President, I too would wish to support this Bill. I thank you.

SENATOR THE HON. E. R. GRIFFITH: Mr. President, let me repeat that this matter before us has resulted from the fact that the existing security which has been provided by way of a Letter of Comfort has been considered inadequate and the provision of a guarantee is simply an attempt to upgrade that security. I am sure that the Barbados Water Authority in the future will use this facility once it has been provided in the legislation, but the immediate objective is not to support the new funding for the Barbados Water Authority but to provide coverage for the existing funding.

Mr. President, I am sure that all of us know of the shortcomings from the Barbados Water Authority. I have no doubt that the management and the Board of the Authority are aware of the concerns of the public. I have no doubt that they would seek to prepare the Authority's accounts so that if ever they have to appear before the Fair Trading Commission they would be able to present their case in a reasonable way and that as an offshoot of that preparation

will come some solutions to the existing problems because as they seek to get their house in order they will be confronted with the fact that their present level of operating is not adequate and is not acceptable to the public and that they have to do things better than they are doing them at the moment.

Mr. President, we would have many more occasions to debate the situation at the Barbados Water Authority where Honourable Senators would be able to speak at length on those occasions. Suffice it to say though that there is always room for improvement and that the evidence suggest that there is much room for improvement at the Barbados Water Authority, but I would not get into the details now.

Mr. President, Senator Barker made reference to the issue of water for agriculture. That is an issue that is of concern to us in the Ministry of Agriculture and Rural Development. We have started to device ways in dealing with that because we do not believe that we can continue to leave that to the Barbados Water Authority. The performance in the past has never been acceptable to us and we will therefore have to deal with that ourselves. We will leave them to deal with the more important and pressing area, that of drinking water for the people. We would find some solution for the farming community and free them of that responsibility so that they can get on with the larger task.

Mr. President, I will leave it at that for now and beg to move that the Bill be read a second time.

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

On the motion of SENATOR THE HON. E. R. GRIFFITH, the Senate resolved itself into Committee on the Bill, SENATOR THE HON. DAME PATRICIA SYMMONDS in the Chair.

COMMITTEE

MADAM CHAIRMAN: The Senate is in Committee.

Clauses 1 – 2 were called and passed.

On the motion of SENATOR THE HON. E. R. GRIFFITH, Madam CHAIRMAN reported the passing of one Bill in Committee and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motions of SENATOR THE HON. E. R. GRIFFITH, the Bill was read a third time and passed and cited as the Barbados Water Authority (Amendment) Act, 2004.

ORDER NO. 5 – RESOLUTION TO APPROVE THE VESTING IN THE NATIONAL HOUSING CORPORATION OF PROPERTY SITUATED AT LOT 41, 7TH AVENUE, WANSTEAD TERRACE IN THE PARISH OF SAINT JAMES

SENATOR THE HON. E. R. GRIFFITH: Mr. President, the Resolution before us is seeking approval for the vesting in the National Housing Corporation of the property situate at Lot 41, 7th Avenue Wanstead Terrace in the parish of St. James. This property was used by Dr. Rao who was employed by the Barbados Government at the institution of the Psychiatric Hospital. Dr. Rao vacated the property since February 2001 and it has been unused from then until now.

The intention of the Resolution is to have this property vested in the National Housing Corporation so that it can be sold to an interested party who has expressed an interest in acquiring it. There is an additional property in the vicinity as well and the Psychiatric Hospital has asked permission to retain that for further use.

Sir, I do not think it is a controversial issue and I beg to move that this Resolution do now pass.

SENATOR F. J. STUART: Sir, I noted from the Addendum to the Resolution that Cabinet at its meeting held on September 12, 2002, agreed that the property at No. 41, 7th Avenue Wanstead, St. James be vested in the National Housing Corporation to be disposed of by private sale. This Resolution on its face is innocuous and I take the Honourable Leader of Government Business at his word. Having regard, that the present Minister of Housing would have inherited this Cabinet decision from a predecessor that there are no administrative errors lurking anywhere in relation to this.

Mr. President, we walk here by faith and not by sight. The Resolution is innocuous but there is the absence of the normal documentary evidence that support these Resolutions. I am aware that when this was introduced in the Other Place, the Minister was at pains to point out that she brought along the plans and all the documentary evidence necessary to satisfy the Other Place so that the prospect of administrative error did not exist.

Sir, that has not happened here and I am guided by the Honourable Leader of Government Business. He is a good man from St. Philip whose word I trust and, therefore, there is no objection to the Resolution.

SENATOR THE HON. E. R. GRIFFITH: Mr. President, as you probably know, Senator Stuart and I are two good men from St. Philip and we understand each other.

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

The question was put and agreed to.

SENATOR THE HON. E. R. GRIFFITH: I would like to advise Senators that we are likely to have one more meeting next Friday, August 14, 2004 before recess and that Senators would be advised accordingly.

The Other Place is likely to meet on Tuesday and the Senate would then meet on Friday, August 14, 2004, to close off business.

ADJOURNMENT

SENATOR THE HON. E. R. GRIFFITH: Mr. President, I beg to move that this Sitting be adjourned *sine die*.

The question that the Senate be now adjourned sine die was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.

5.07 p.m.

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