
THE SENATE DEBATES

(UNOFFICIAL REPORT)

PARLIAMENT 2003 – 2008

THE SENATE

Wednesday, July 20, 2005

The Senate met in the Senate Chamber, Parliament

Buildings on Wednesday, July 20, 2005, at 11.25
a.m.

PRESENT

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

Senator the Hon. ERSKINE R. GRIFFITH, G.C.M,
J.P., B.A. (Econ. & Hist.) Dip. Pub. Admin., M.S.C.
(Financial Studies) (Minister of Agriculture and Rural
Development (Leader of the Senate)

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

Senator TYRONE E. BARKER, B.A., (Hons), M.A.,
(Econ.), J.P., (Parliamentary Secretary, Ministry of Finance
and Economic Affairs)

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

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

Senator RUDY W. GRANT, B.A., (Econ) G.Dip.
M.A., J.P., Parliamentary Secretary, Ministry of Tourism
and International Transport)

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

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

Senator Miss PATRICIA E. PARRIS, J.P.

Senator G. P. IAN GOODING-EDGHILL

Senator Miss SANDRA C. V. HUSBANDS, B.A.,
(Hons.)

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

Senator Dr. DENIS S. LOWE, Ph.D, Dip. Theology,
B.A., MED, ED.D.

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

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

Senator Sir A. C. FIELDS, KCMG.

Prayers were led by SENATOR T. E. BARKER.

Mr. PRESIDENT: This Senate is in Session.

PAPERS

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

1. Annual Report of the Central Bank for the year
2004;
2. Duties, Taxes and Other Payments (Exemption)
(Caribbean Hotel Association) Order, 2005;
3. Value Added Tax (Refund) (St. Gabriel's
School) Order, 2005;
4. Value Added Tax (Refund) (Calvary Moravian
Church) Order, 2005;
5. Excise Tax (Rate of Tax) Order, 2005;
6. Reports of Judicial Council for the years 2003 and
2004;
7. Passports and Travel Documents (Fees) Order,
2005;
8. Annual Report for the National Sports Council for
the period April 01, 2003, to March 31, 2004.

PUBLIC BUSINESS

ORDER NO. 2 – SECOND READING OF THE BILL
ENTITLED AN ACT TO AMEND THE STAMP DUTY
ACT.

SENATOR the Hon. E. R. GRIFFITH: Mr. President, this Bill before us is, in my view, a very straightforward matter because it seeks to put into effect a proposal which was made by the Minister of Finance, in December 2004.

At that time, the Honourable Member indicated that the matter set out in this Bill was considered important and necessary to the advancement of the International Business Sector, which is to remove the stamp duty from shares of International Business Companies or international societies with restricted liabilities, when they are pledged against obligations or which have to be discharged outside of the country. Sir, the industry considered this to be an unnecessary burden.

Mr. President, its removal, of course, does not result in any negative impact on the country but seeks only to facilitate and attract business. Sir, as we all know, this type of business exists in a very competitive environment, and our competitors do not have this burden in place. It is, therefore, felt that in keeping this burden in the industry, which is not providing us with any particular benefit, would be a way of alienating businesses from coming to this jurisdiction.

Mr. President, at that time, the Honourable Minister of Finance made the point of the continued importance of this sector, to the development of the economy. We are therefore, simply seeking to put that into effect legally.

Mr. President, with those brief remarks, I beg to move that this Bill will 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 on the Bill. MADAM DEPUTY PRESIDENT in the Chair.

COMMITTEE

MADAM DEPUTY PRESIDENT: This Senate is now in Committee.

Clauses 1 - 2 inclusive were called and passed.

On the motion of SENATOR the Hon. E. R. GRIFFITH, MADAM DEPUTY PRESIDENT reported to His HONOUR the PRESIDENT, the passing of 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 Stamp Duties (Amendment) Act, 2005.

ORDER NO. 3 – SECOND READING OF THE BILL
ENTITLED AN ACT TO AMEND CERTAIN ENACTMENTS
RELATING TO INTERNATIONAL BUSINESS.

SENATOR the Hon. E. R. GRIFFITH: Mr. President, this

International Business (Miscellaneous Provision) Bill before us is, in many aspects, similar to the one which was just passed, except that while that one resulted from a budgetary proposal, this one has not. It is similar in the sense that it deals with further efforts on the part of the Government, to make sure that our jurisdiction remains an attractive one, as a centre for financial services.

Mr. President, we, in this country, have, for many years now, reaped enormous benefits from being engaged in the business of international financial services, and it is the type of business which frequently faces many challenges. All of us would remember that not so long ago, our sector, which was doing extremely well, came upon some difficult times, when we had to counter the various attacks that were made under the banner of harmful tax practices.

Sir, we overcame that difficulty after a fairly fierce battle, and no sooner had we got over that hurdle, there was the issues of the Financial Services Sectors and the rulings of the World Trade Organisation, which, in some ways, had a negative impact on the further development of that aspect of the International Financial Services Centre.

11.30 a.m.

Wednesday, July 20, 2005

SENATOR THE HON. E.R. GRIFFITH: Sir, in spite of that, the international financial services sector continues to provide a great deal of foreign exchange for the country and even though there has been some decline in the FSCs because of the ruling to which I have just referred, there has been steady growth in the area of international businesses in the area dealing with societies with restricted liabilities. In fact, so far this year between January 1st and June 30th, 2005, we registered 189 IBCs. This compares favourably with what took place in the same period in 2003 and 2004. Sir, in 2003, we registered 126 IBCs and for the same period in 2004, we registered 136 IBCs, so we still continue to grow in that area of business. The same trend is being observed with respect to the

societies with restricted liabilities. For the period January 1st to June 30th, 2005, we registered 22 ISRLs, whereas during that period in the year 2003, we registered 14 and for the same period in 2004 we registered 29. Sir, there is a steady growth in both areas.

Mr. President, the amendment before us seeks to make the jurisdiction transparent and to remove an anomaly which, in a sense, is a burden to those engaged in the business. It has to do with the question of renewal of licences. You would recall that in 2001, and again in 2004, there were a number of measures brought before this Senate, which were eventually passed to remove a number of obstacles to persons involved in that industry but, however, this one remained.

Mr. President, the existing legislation provides for a licence to operate, which runs from January 1st to December 31st, in any particular year. Sir, there is a fee of \$500 for the licence. If the business does not renew its licence by December 31st, there is a provision for one month in the following year, January 1st to January 31st which would allow them during that time to renew the licence and to pay a penalty equivalent to the amount of the licence fee in the first instance.

Mr. President, for various reasons a number of companies sometimes have difficulty complying with the existing arrangements and there is no provision in the existing legislation which would allow the Minister or any person in the International Business Unit, outside of that time frame to reinstate the company. Sir, at January 31st if the licence is not renewed, the company ceases to be registered under the legislation.

Mr. President, the proposal before us in respect of IBCs and ISRLs is to create an opportunity to allow those companies to be reinstated after that time frame, provided that they apply within five years of the expiration date of the licence.

Mr. President, Government thinks it is a measure that should be adopted so as to continue to make the jurisdiction an attractive one where business can be conducted without unnecessary obstacles and as smoothly and as efficiently as possible. This is why the amendments are here before us.

Mr. President, with those few remarks, I beg to move that this Bill be read a second time.

MR. PRESIDENT: Senator Stuart.

SENATOR F.J. STUART: Mr. President, the Bill before the Senate brings into very sharp relief the performance of a sector by which the Government has laid very heavy store when it came into office in 1994. I seem

to recall that it was confidently predicted that as part of Barbados' move towards the creation of a service economy that this sector was destined to play a forefrontal role and that it would create 2 000 jobs per year over a five year period. Over the last 11 years, we have waited for a report card on that prediction but to date it has not been forthcoming. We continue to be regaled with generalisations about how well the sector is doing, what foreign exchange it is contributing to the economy and, of course, there is a stony silence on the jobs being created in the sector, for whom the jobs are being created, and the durability of the jobs being created.

Mr. President, of course, whenever a debate takes place on this sector, we are also be regaled with how many registrations there have been but we are seldom told what results flowed from these registrations. It leads one to ask a question. Is Barbados really on its way to being a service economy or is it on its way to being a service station where international corporate vehicles line up to refuel and to have their windshield cleaned and oil changed and wheels realigned before they jaunt off to other jurisdictions for similar purposes.

Mr. President, I do not think that the country is being told the full truth about this sector. Again, it does not help to be regaled in the manner of Wordsworth Solitary Reaper with stories of old, unhappy far off things and battles long ago when we had to fight the OECD and so on. The people of Barbados want to know precisely how this sector is performing. Has the prediction of the Government that this sector would be creating 2000 jobs per year been realised? How many of the new registration effectively contribute over any respectable period to the economic life of Barbados?

Sequence 4

Wednesday, July 20, 2005

SENATOR F.J. STUART: Who will benefit from the jobs created in the sector to the extent that jobs are created at all?

Sir, when I hear the Government talk about making Barbados a jurisdiction in which these corporate vehicles can more easily do business, I understand what it is saying but, certainly, it is not a language that I can translate for the people with whom I come into contact from day to day, who are affected by the things that go on in this economy, who are living their lives at the level of various degrees of hardship and who want a breakthrough for themselves in the economic life of Barbados.

I think that most of us are getting tired with the platitudes that we hear coming from the Government whenever this sector is being discussed. The Minister, the

Honourable Leader of Government Business, spoke of the enormous benefits,. Enormous benefits perhaps; but for whom? I think people in Marchfield, St. Philip and the Bay Land would like certainly to hear that. We heard about steady growth in the sector. What is the order of that growth?

Sir, we are told every year that there are registrations. Sir, how many of these companies actually do business in Barbados and for what period of time? To what extent are these registrations more than just paper transactions? To what extent is the country really benefiting from these exercises?

Mr. President, I am not intrigued or enamoured of the fact that Barbados, providing as it does, highly agreeable infrastructure and a very good telecommunication environment, is being used as no more than a service station by these international corporate vehicles. I should really like the Government to come clean on this issue and let the people of Barbados know what is really going on in this sector.

Mr. President, the amendments themselves do not give any cause for objection because all they do is, as the Minister said, try to make Barbados a more attractive place to do business. As I said in a previous debate on this issue, we have to take our eyes out of the clouds when dealing with international business and face the reality that when we boast about how well we are doing, we are doing no more than indicating how much financial leakage is taking place from onshore jurisdiction into our offshore jurisdictions. We fool ourselves if we believe that the OECD countries are going to sit idly by and allow that leakage to continue.

Sir, the whole dichotomy between metropolitan interest and colonial interest has continued even in the post-Independence period. The preservation of metropolitan interest is still the primary concern of these countries from which our international business comes.

I believe, as the late Dr. Eric Williams once wrote, these countries will go to their graves with the preservation of their own interest and the subordination of ours embroidered on their shroud.

Sir, the people of Barbados need to know what is the real status of this sector and to what extent it is meeting the objectives set for it by the Government, eleven years ago, when we were told that it would be a nursery for job creation and it would yield the kind of foreign exchange that would make a fundamental difference to the quality of life of the people of Barbados.

Sir, I am not going to oppose the amendment sought but I should really like to hear from the Government what

is the true status of this sector, what are these enormous benefits and what is the real truth behind this steady growth of which the Minister spoke.

I am obliged to you, Sir.

Mr. PRESIDENT: Senator Husbands

SENATOR Mrs. S.C.V. HUSBANDS: Mr. President, building a financial services sector and an offshore business sector is not one of the easiest things in the world. This morning I want to place in context some of the difficulties Barbados faces in terms of seeking to build this particular area and to look at some of the questions raised by my distinguish colleague, Senator Stuart, concerning some of the benefits to be derived by Barbados and the Barbadian public from our taking time to build our financial services sector.

Sir, initially, what we are faced with within the Caribbean, is the fact that a lot of our traditional areas that earn in foreign exchange are under threat, whether it is sugar, areas of manufacturing, bananas or rum. These are all under threat in terms of their capacity to earn foreign exchange. All the preferences we once enjoyed that earned foreign exchange which helped us to offer goods and services to the public are under threat, therefore, our capacity to earn from them will be diminished.

Sir, within the international organisation, the World Trade Organisation rules and agreements, continuously pressure nation States like ours into trade liberalisation and the reduction of tariffs, et cetera. Sir, when we talk about lowering tariffs at the Port, it means that consumers not only receive lower prices for products but at the same time Governments' revenues are going to fall. When Governments' revenues fall, it makes it difficult for Governments to provide the level of amenities and services which they want to offer their population.

Sir, because of that double challenge, many small countries are faced with the task of finding non- traditional sectors to develop and become internationally competitive. Unlike sugar, rum and bananas, which received help from the developed countries in the past, there are no handouts for small developing countries when they are seeking to develop alternative sources of revenue.

Mr. President, many Caribbean countries are faced with the challenge of restructuring their tariff situations, changing their economies from traditional sectors and transitioning them onto new sectors, and at the same time attempting to increase Government's revenues to continue to perform the critical important and social role, they have to play.

In the case of Barbados, it went after the international business and financial services sector, by developing an offshore sector with the aim of attracting to its shores people who would set up systems here that to avoid the double taxation problems they often experience in other jurisdictions. At the same time, attracting that kind of business does not place a heavy demand on land space or other resources, but it provides the country with the opportunity to earn revenue and income that allow it to meet the socio-economic needs of its citizens.

11.50 a.m.

Sequence 5

Wednesday, July 20, 2005

Senate 35, sequence 06, 11.50 a.m.

Senator Miss. S.C.V. HUSBANDS: Therefore, the financial services and international business centres are very attractive to small nations like Barbados that have limited land capacity and resources, et cetera.

Sir, in seeking to build that type of sector, there are certain challenges which small nations are faced with, in terms of managing that particular area. For example, across the world every day, \$1 Trillion are moved in terms of money. This is money rushing around seeking better interest rates and better terms of conditions, et cetera.

The whole international financial architecture finds that it is now challenged by these new modalities by which businesses are moving money. Sir, that whole movement across the world manage and govern it and to set up systems, structures, and rules that govern how this particular industry operations are still in an evolutionary process.

I think that one of the difficulties small nations like ours, and it is not only Barbados but places like Cayman Islands and other places in the Caribbean that run after the financial services sector, face is the whole matter of monitoring how all of these companies operate, ensuring that they comply with certain regulations and there is a certain level of transparency. You should also be able to detect that this is a legitimate business that is operating, versus an illegitimate business.

Sir, some jurisdictions went after the development of their financial services sector by telling all and sundry to come so that every year, they have thousands of people registering businesses, especially no-tax jurisdictions have been able to attract thousands of them just coming and registering. Therefore, the Cayman Islands, the Bahamas, Bermuda and so on have earned huge sums of money from this particular sector. Some of those jurisdictions have not

necessarily taken the care to distinguish between what is legitimate and what is illegitimate.

Sir, this is the challenge. Barbados has set itself a task where it wants to build a financial services sector, but we want to build it in such a way that we take due regard to things like transparency and legitimacy of the operation, which means we have to do the types of inspections and controls necessary to ensure that we are not inviting to our shores, a lot of criminal activity.

Therefore, as a result of the kind of package that Barbados puts, on one hand is seeking to put an attractive package to attract people, and on the other hand is seeking to put controls in place to make sure that what we attract is legitimate and good business. This means that our industry is not going to grow at the rate, for example, that the Cayman Islands would grow.

Has this worked to Barbados' benefit? I would say, yes for this reason. When the attack came by the OECD, in terms of trying to list Barbados as a harmful tax jurisdiction, Barbados was able to demonstrate that we are able to take the necessary type of care, in terms of how we govern that particular industry, to seek to build it up, we have the various pieces of legislation, regulations and the regulatory authority to look after this area. Therefore, we were able to successfully defend ourselves against that particular attack.

Sir, what has that meant, in terms of being able to continue to grow the sector and how has that sector been growing? I have figures for up to 2003 but until 2003, we have within that sector, approximately 5 500 entities. Barbados has been able to earn Corporate Tax from that particular group, as well as from Licensing Fees, which has been able to generate close to \$100 million for the year 2003, in terms of tax revenue to the Government.

Why is this important? Because, on one side, you are reducing your import taxes in order to meet your WTO obligations, which means Government's revenue is going down, and on the other side, you are also seeking to build the financial services sector, so that as they increase that tax take for Government, the Government is able to replace the revenue loss from one side by what is happening on the other side.

The following question has been asked. What does all this mean for Barbadians? It simply means that countries which have not been able to successfully transition their economies and find alternative ways in which to replace Government revenue and create opportunities for jobs, et cetera, have found themselves in a situation where the quality of life and the standard of living for the population has decreased because the Government has less revenue with which to respond to the types of

initiatives that we want to put in place to safeguard the quality of life for our citizens.

We are talking about being able to put in services like education, health, fixing roads, being able to give support to the agricultural community and the manufacturing sector, offer nursery care to children and to do things for the elderly, et cetera. Barbados has to seek at all times to preserve its capacity to be able to do these things and it is only by building our sectors in which we have a competitive advantage that we are going to be able to do this, Sir.

Therefore, the fact that we have had that kind of contribution into our tax base, says to Barbadians that the capacity of the Government to have been able to continue over the past few years, despite the fact that we have been lowering Corporation Tax, personal Income Tax and seeking to lower the import duties at the border, we have still been able to offer to Barbadians, a high quality of life that they have come to expect.

The contribution of a financial services sector, such as the one that we are seeking to build is also able to contribute income to the tax base. This income provides Barbados, again, with the resources to respond to shocks which may come to the economy. This is the value of the offshore services sector to Barbadians.

Sir, how should Barbadians relate to, and how should they understand the financial services sector? Though it is not a huge building with 10 000 people walking in and out and, therefore, it is not visible to the average Barbadian, the presence of those 5 500 companies here means something to us, in terms of the visible things that we can see. For example, our roads and road repairs, the changes we are making in the educational institutions and the police stations, and the other things that we are seeking to provide. All these are made possible by this same sector that contribute significantly to our tax revenues.

Sir, what is the Government doing in relation to the continual building up of this sector? It is not easy because it is highly competitive. Countries from all over the world, such as Europe, Asia or wherever people are seeking to build up that area for their own economies, these people do not sleep. They have teams that go out into the United States of America that seek to put together packages that are attractive. They look at other people's packages and try to go one better and so, it is a highly competitive market.

Sir, some of them realise that one of the things they have to do is not just issue a general invitation but now, we have to move our marketing to the place where we critically identify the specific businesses that we want to go

after and go into that particular market and target them specifically, in order to attract them to our shores.

Sometimes, it can take you quite a while to attract certain businesses to your shores. It is not a one-shot, sit down, talk to somebody and they turn up. It may mean working with somebody for a year or two but if you do not stay the course in terms of working continuously in your niche markets, you are not going to be able to successfully build the sector.

Sir, what Barbados has been seeking to do, through BIDC and the other services offered by the Ministry of International Business, is to try not only to create the environment but to effectively market our produce abroad. Some of the marketing initiatives that they have engaged in have dealt with things like going to trade shows and conferences, where these particular companies may be a part of that grouping and so, this may take them from New York to Miami to London to Montreal. This means that the BIDC staff, located across North America and other parts of the world, have their work cut out, in terms of seeking to present Barbados in a way that it becomes attractive among all the millions of jurisdictions which are begging and looking for that money. It is important to us that they do an excellent job in continually attracting people to our shores.

Senate 35, sequence 06, 12:00:14

Wednesday, July 20, 2005

SENATOR Miss S. C. V. HUSBANDS: Therefore, I want to commend the Ministry of International Business and the Barbados Industrial Development Corporation for the sterling work they have been doing. It is not easy work, it is not fast work, it is dogged determination, persistence and preservation. Sir, I think it would mean a lot to us if we as a Parliament can do whatever we can to create conditions that will keep Barbados as an attractive jurisdiction in which people can set up offshore and financial services businesses.

Mr. President, another thing that happens is that employment is created within the industry. Some of them employ a handful of people and some employ more than a handful. Mr. President, I had the privilege recently of doing some business with two of them and what was fascinating for me was understanding the nature of some of the activities that were taking place. Some of them were trading and I was absolutely amazed at the number of things they are doing and the kind of money that they move and trade by buying low and selling high. They are located here in Barbados and they are employing a number of Barbadians.

Mr. President, besides that fascination with trading, what was even more interesting for me was the types of

skills that Barbadian workers were learning as a result of working with these companies. Many of these young people are professionals, their background training might be in public administration, accounting or legal work but working in these international firms doing trading, those base skills now have to be translated into a new activity. These young people are asked to operate at the very highest level. They are operating here as a representative of a large firm that is expecting to meet international standards in the way in which they conduct business here, so they are a vital part of their overall trading group.

Mr. President, I was particularly impressed with the fact that they were able to meet those standards and that they are learning management skills and developing management expertise in how to manage an international firm. That transfer of knowledge to the staff that are being employed is truly invaluable to a small country like Barbados. Mr. President, where else would our people have been able to go to learn the skills of trading and managing multimillion dollar operations.

Mr. President, another tremendous benefit to the Barbadian economy is the fact that our young people are able to operate at a high international level, which means that as they gain those skills they can translate them into starting their own businesses when the time comes so that we can develop more and more locally grown international business companies by people who are not afraid to take on the world.

Mr. President, I remember hearing this story about a guy who was trading in steel. Apparently, he likes Barbados and was living here. This person does not know anything about making steel and does not own any factory that is making steel. All he does is trade in steel every day. He goes on his computer for an hour and looks to see what are the request coming for the steel. He contacts the manufacturer of the steel, places the order and get that order sent off to the client. Mr. President, if he is still operating today he is making a lot of money because the demand for steel is extremely high and the price is rising. The only thing this man does is checks that computer and connects manufacturer with buyer and then he spends the rest of the day on the beach. He pockets the money and is 'living high off the hog'.

Mr. President, what I would love to see for our country is for those young people who are currently working in these international businesses in the offshore sector gaining expertise in how this is done, because it is not rocket science, it is just a matter of the management of information and turning knowledge into money, to develop the confidence that we do not have to produce iron ore, gold or anything, but that if we could be that essential link between the buyer and the maker that this nation could continue to earn money.

Mr. President, in closing, I just want to say that the financial services sector is important to Barbados as a revenue earner for the Government to help us replace the revenue we may be losing on another side. More important, the employment that it creates, is able to offer Barbadians an opportunity to see how international businesses operate and to be able to utilise those skills for themselves later on so that we can build local international business companies that are able to do phenomenal things in this world, so that we can begin to tap into some of the trillion dollars that is running all around the world, and continue to grow our economy.

Mr. President, I am obliged to you.

SENATOR the Hon. Miss L. V. EASTMOND: Mr. President, I rise to speak in support of the International Business (Miscellaneous Provisions) Bill, 2005, which essentially has to do with enhancing the regulatory environment in Barbados with respect to international business as well as the overall regulatory framework in Barbados.

Mr. President, I make that point because I believe that within Barbados there is still a misunderstanding... Sir, if you have a financial services sector that you have one financial services sector. There is not a financial services sector that relates to the international financial services and then a separate one that relates to domestic banks. When an individual or any regulatory authority oversees or any international financial institution examines Barbados they do not separate the two, they look to see how the financial services is being regulated across the board. That also applies to regulations of any other sector that falls within the definition of international business.

Mr. President, this Bill deals not only with international business companies, but also with international societies with restricted liability. An international business company is a company but a societies with restricted liability is one that is established with a structure where it appears to be a hybrid between a company and a partnership, that is why the share that one might have in societies with restricted liability is referred to as a quota and not as a share as you usually refer to it in terms of a company.

Mr. President, this amendment has to do with the fact that if a company is late in renewing its licence there has to be a specific process in which that company should engage, either to apply for the licence on a late basis or that the company or the society would in effect be de-licensed and then there would be a process by which they could be reinstated within a period of five years. This is not peculiar to the international business sector or to international business companies or international societies with restricted liability.

Mr. President, if you review legislation dealing with insurance companies, you would see that there is also a similar provision for late filing where if one files late there is also a penalty so this is nothing new to our law in Barbados. Similarly, with respect to companies that do not file appropriately and are struck off the register by the Registrar of the Cooperative Affairs and Intellectual Property Office, that particular company or the directors of that company can apply for reinstatement as well, so that is also a process that is known to our law, so there is nothing new where that is concerned.

Senate 35 Sequence 7

12.10 p.m.

Wednesday, July 20, 2005

SENATOR the Hon. Miss L. V. EASTMOND: Mr. President, I noticed that Senator Stuart somehow felt that we could be fairly dismissive of the work that was done, in terms of defending Barbados's position as an International Business and Financial Services Centre, one being of good repute.

Sir, in my view, the implications of what could have had happened had not this Barbados Labour Party administration defended that position so stoutly, I believe is something of which all of us should be conscious, because it was not simply about money laundering. It was about us, within this region, having the ability to determine how we structure our economy and tax system. Therefore, if we had allowed a circumstance where the Organisation for Economic Co-operation and Development (OECD) countries could have dictated to us how to structure our economy, our tax system, or how we could determine who should be invited to Barbados, then we would have had significant problems going forward in any kind of international negotiations in which we would have been engaged in the future. Sir, we would have had a problem whether it would have been with the World Trade Organisation, the Free Trade Area of the Americas, the Financial Action Task Force, or the Financial Stability Forum.

Mr. President, while it is that perhaps Senator Stuart believes that this is an area in which he can find no significant criticism with the Government and, therefore, would prefer us not to refer to it, Sir, since we are here dealing with a regulatory matter and an effective regulation, it is important that we remember that at every turn, we must defend Barbados' right to self-determination in all matters, including economic matters.

Mr. President, I also heard Senator Stuart referred to the leakages into Barbados from onshore jurisdictions and other similar jurisdictions. Sir, the word leakage is certainly

OECD-type language, and I would hate to think that we have anyone in Barbados who would be taking the side of the OECD, in terms of speaking of leakages.

SENATOR F. J. STUART: Mr. President, on a point of elucidation. I saw Senator Eastmond making this point and smiling. I know that she does not intend this point to be so serious. What I said was that not only do we have to view this sector from what we can get out of it but that we have to look at it through the eyes of the people from whom the business is coming and see how they view it as well. Therefore, we can extrapolate that they would try to protect their interest in the matter.

SENATOR the Hon. Miss L. V. EASTMOND: Mr. President, I, of course, have a different view. My view is that there is potential business flowing around the world and that whoever can catch that business will do so. My view is that business is out there for the taking and that it belongs to no particular country. If a particular country can catch that business, then it belongs to that country. It is not my view that the OECD countries have business and that when we get it, that it is leaking from these countries.

Sir, my view, therefore, is very different and I certainly have no intention whatsoever in life, to look at it from the perspective of the OECD, because I am not from an OECD country. I view it as a person from a small developing country, which I believe is inhabited by people who have just as much ability as anybody in any of these OECD countries.

Sir, my reason for knowing that is because I went to school with people from England, Switzerland and the United States of America. Some of them might have been better than me, but I know that there was no European who was better than the best individual, with whom I went to school in Barbados.

Mr. President, what is remarkable is that after all this time, the Members of the Democratic Labour Party do not seem to understand what is the International Business Sector. Sir, I can understand why this is so, because they have never supported it. When the Barbados Labour Party Government sought to add a new dimension to the economy of Barbados, by introducing the International Business Sector, the Democratic Labour Party was strongly opposed to it and accused the then Government of seeking to bring all kinds of nefarious and illegal activities to this country.

Mr. President, I was at school but I can still remember and I wondered what was going on. Could we possibly have a Government that would seek to do that? Sir, I know that is so far from the truth, therefore, the Members of the Democratic Labour Party have never supported the industry and the members of the industry

should and have recognised that fact. The Members of the Democratic Labour Party are always seeking to give the impression that there is something negative about the industry and are now suggesting that the Barbados Labour Party is engaged in paper transactions only.

Mr. President, from what I know of conveyancing is that it is nothing more than a paper transaction, one in which the good Law lords of Barbados become engaged daily. Sir, as an example, land does not move from one point to another. It stays exactly where it is and all that changes is the land deed and ownership. Therefore, that is exactly what happens in the International Business Sector. In the International Business Sector, the transactions are reflected through paper transactions only, despite the fact that a building worth billions of dollars in the United States of America or in the United Kingdom is being sold. Therefore, are we going to say that with regards to conveyances within the International Business Sector, that business would be of no value because we would only be seeing paper transaction? Sir, I would wish that Honourable Members of the Democratic Labour Party would not try to fool the people that many of the transaction in which we are engaged, are meaningless paper transactions.

SENATOR F. J. STUART: Mr. President, on a point of elucidation. I think that Senator Eastmond is misunderstanding my point. When I spoke of paper transactions, I was referring specifically to registrations of International Business Companies, and whether they have remained active and over what period of time. That is the context within which I talked about paper transaction.

Mr. President, the question I wished to posed is, are these companies of whose registrations we frequently boast, companies that are once registered, do they do business in Barbados over a substantial period of time, or do they become registered and remain dormant? That is the context in which I used the expression paper transaction.

I am obliged to you, Sir.

SENATOR the Hon. Miss L. V. EASTMOND: Mr. President, as I was going on to say, when one purchases shares, for example, in Sagicor, that company gives the shareholder a share certificate, which is a paper transaction. They do not cut off a part of the building and give it to that shareholder.

Sir, years ago when I used to work with PriceWaterhouse, the share certificate that they used to give, used to be a big document with a seal.

12.20 p.m.

Wednesday, July 20, 2005

SENATOR the Hon. Miss LYNETTE EASTMOND: This is not done now because it is a paper transaction so they print out a piece paper telling you how many share you own.

Mr. President, many persons have not been exposed to business and this is a sad thing because sometimes a company is established for a particular purpose and over time, either the purpose is satisfied, you no longer need the company or you determine that you want to consolidate your assets in one particular company so the other company is no longer needed. This does not mean that the volume or value of the business had diminished but that you no longer want to use that particular vehicle for whatever purpose. There are companies in Barbados where the parent company has decided that they would segregate their assets. For example, if they own an operation in Chile, they would set up a particular company to own the assets in Chile so if they sell those assets, they would no longer need the company and the company might become dormant.

Sir, it is not an issue of seeking to misguide anyone but simply how business is done. It is important that when some of us talk about these issues, we should take the time to understand how business is transacted.

Mr. President, I want to go on to make the point about what exactly is the international business sector because it is a source of confusion as well. Sir, the Democratic Labour Party never sought to understand the sector because they never had intention of supporting it. The international business sector as reflected in the legislation we have is simply a facility by which business can be done. The international business sector is a vehicle that facilitates certain types of business and the International Financial Services Act also facilitates certain types of business.

Mr. President, if you look back at the Cap. 77 of International Financial Services Act, you would see that intention when the legislation was passed that one should be able to engage in any type of activity and that the chapter also refers to manufacturing. Sir, it is unfortunate because where the international business sector is concerned, an individual could be involved in financial services, manufacturing, telecommunications, call-centre activity, data-processing activity, establishment of trust, food processing or cultural services. Sir, some of the individuals in Barbados involved in cultural services, obviously not listening to the Democratic Labour Party have set up international business companies so that they can sell their services abroad. Sir, Barbadians have done this because the legislation is opened to them yet some members of the Democratic Labour Party do not know this even though the amendment was passed more than four years ago.

Mr. President, the international business sector is not about financial services alone or trading on the stock exchange alone. There are companies in Barbados which are international businesses which are involved in manufacturing. It is unfortunate but when you start to ask about the numbers, nobody want to count the individuals involved in manufacturing in international business companies but those individuals should be counted in the number as well.

Mr. President, it is my own personal experience because when I worked in an accounting firm, we had a department with about 30 people and our only job was to support international business and it was not the only accounting firm in Barbados which provided the service. Sir, nobody adds these numbers in or take notice of the fact because when one talks about education in small countries like Barbados the issue always is whether there is going to be unemployment. When a person does a Master's Degree in International Tax, where does the person practice it. Sir, individuals have done a Master's Degree in International Tax and International Financial Planning who can come back to Barbados to provide the services because we have an international business sector. It is a fact that they would not have been able to do so if we did not have an international business sector.

Mr. President, while many of us like to focus on establishment that employ 2 000, the fact of the matter is that we are spending a great deal of money on education. Sir, every year another group of individuals goes overseas to study who come back to Barbados to practise at a very sophisticated level whether in financial services, tax planning or any similar area. Mr. President, they would not be able to do that without the assistance of the financial services sector as we know it today.

Mr. President, therefore, what are the benefits? Sir, for the majority of my life, my salary depended on the international business sector and I am not the only person. Sir, other people like myself benefited from the sector in that way. We cannot underestimate the value of this because those individuals make a contribution to their households and to the wider society when they are able to work in those areas.

Mr. President, we also have the call-centre businesses. There are individuals coming out of school that the only opportunity they would find is to work in call centres but many of us scoff at them. Those companies employed up to 500 individuals, yet we scoff and have a problem with this. When I sit in my office and see the workers coming down the Harbour Road, I know these are people who have jobs whether they may be paid \$260 or \$270 weekly, it is a job and for a young person coming out of school who want to have a job to get some experience, it is for them to continue to improve themselves and to seek

employment elsewhere or even set up their own business because they do not have to stay at that job.

Mr. President, I do not think we should make light of it because people who are getting \$270 a week are not making light of it. I always say to individuals that it is better to work than to be sitting at home because nothing happens to you while you are sitting at home. Sir, when you go to the world of office, you meet people, hear of opportunities, make new friends and you get to know many things. You can move on from being in a call-centre because you get more exposure to opportunities.

Mr. President, I want to talk about the sector within the context of the broader economic context and dimension for Barbados. It still seems as though when we are looking at the Barbados economy that we limit ourselves to focusing on tourism, manufacturing and agriculture. Sir, I visit countries all over the world and they do not seem to have these limitations. They have tourism, agriculture and manufacturing but they also have health services as a means of generating money in the economy. It is not just to service the populace but it is a money generating activity. They also have all the cultural and entertainment industries.

Mr. President, can you imagine how much money the United States of America makes simply out of entertainment alone. Mr. President, that is a huge part of their economy, the entertainment sector. Yet, somehow we sit in Barbados and believe that it is okay to have only three industries.

Mr. President, I always sorrow at the fact that we still call it a sector because it is not truly a sector but a facility for doing a number of things in a number of different sectors.

S35/12:30

Sequence 9

Wednesday, July 20, 2005

SENATOR the Hon. Miss L. V. EASTMOND: Sir, you can have a person in agriculture who would set up an international business company, simply to export their produce to either CARICOM or outside of CARICOM. You can set up the Insurance Corporation of Barbados to do that and then you would be part of the international business sector. It is a bit of a fallacy but we continue to use it.

Mr. President, the view of this Government is that we are now in a position to facilitate all types of business. This is also consistent with the philosophy about the contribution that small businesses can make to an economy. As you know, many of these businesses employ

four people and I know that those are four people who are working, but that is so with all small businesses. Sir, most countries, understand the significant contribution that small businesses make to an economy.

Mr. President, the financial services sector, in terms of the number of people that you would employ in a particular company, certainly will not be as massive as if you had a manufacturing plant where there would be thirty people on the floor and forty people elsewhere. It is not the same type of business.

I think that we have to change our mindset into understanding that small businesses are important and that small businesses are not about making jams and jellies. Lawyers and doctors are involved in business. If you go to a doctor's office, you would find about two other persons, a nurse and a receptionist. That is a small business.

Sir, with the financial services sector you probably have two accountants, a lawyer and a receptionist, that is a small business as well. On the one hand we cannot say that we support business, which I guess the Democratic Labour Party would do in one of their more lucid moments, and then criticise the financial services sector because it employs only four people in a business. It does not make any sense. The only way it would make sense to them is if they do not understand that we have one economy in Barbados and not two. If you are supporting small business, you must support the international business sector as well.

Sir, in order to develop this sector, this administration recognises the connection between negotiating double taxation agreements and negotiating bilateral investment treaties and negotiating agreements at the Free Trade Areas of the Americas and the World Trade Organisation. There is always a problem in terms of individuals understanding that these are not disconnected areas. The reason that we are involved in negotiating trade agreements is for better access to foreign markets, so, if you have an international business sector where your focus is on exporting services and goods, you need double taxation agreements but you also need market access. In order to access markets, in terms of services or goods, you need free trade agreements; you need the international community to understand that they cannot put up barriers to prevent exportation of goods or services.

Sir, trade agreements were all part of the process, along with the DTAs and the bilateral investment treaties. That is something that many of us do not understand. I think it is partly because it is called the offshore sector, it does not have anything to do with Barbados.

Mr. President, the policy which we have pursued with respect to the international business sector, is a policy

that is consistent with Barbados' overall economic development. It is not meant to be separate and apart from Barbados' economic development. This was set out at the outset. Therefore, while there were other countries, with respect to the regulation of banking that had a separate offshore banking supervisor and a banking supervisor for the domestic sector, Barbados never did. The Central Bank was always the regulator for international banks as well as domestic banks. That is what we pursued.

Regarding our double taxation agreement policy, double taxation agreements were always understood to be negotiated for the international business sector, as we know it, but also for anybody in Barbados who wanted to engage in cross-border activity between Barbados and another country, whether it is international business or the domestic services sector.

Sir, finally, as far as the international business sector is concerned, I think that there is a lot of shifting that we have to do for our own mindset. The international business sector is not meant to be separate and apart from the Barbados domestic economy. It is meant to be a facilitator of all types of business activity in Barbados, through reduced taxes and other incentives such as VAT.

I believe that the time is ripe now, it is 30 years since we were fully involved in the international business sector, developed in our own image as Barbadians. We are not people from the Cayman Islands, Bermuda or the Bahamas. We are Barbadians and we have created a sector in our own image. I think that after 30 years it is time for the Democratic Labour Party to come onboard, read some books and try to understand the sector and bring the support to the sector which the country needs at this time.

I thank you, Mr. President.

Mr. PRESIDENT: Senator Griffith.

SENATOR HON. E.R. GRIFFITH: Mr. President, before I wind up this debate I need to compliment Senator Eastmond and Senator Husband for taking the time to explain to Senator Stuart some of the issues because, as Senator Eastmond said, I could understand his dilemma, having, for a long time, been a part of a group that spoke about the Mafia being brought by the late Mr. Adams, when he was Minister of Finance from 1976 to 1986. I took the opportunity to develop this sector, of which we now speak, in an effort to ensure that the Barbados economy became a diversified economy. That is very important and we need to it.

Sir, the intention then and still is, to make sure that we have an economy that is being fuelled by a number of different areas of activity. If there is a difficulty in one

area, we could still continue to eke our living and to do so with some dignity by making use of the others.

Mr. President, when that development took place, there was a lot of talk about the late Mr. Adams bringing the Mafia into Barbados. I remember this well because I worked in the Ministry of Finance at that time and that is where the work was being done in relation to this sector. Sir, that has prevailed over the years.

Sir, every time I encounter persons from the Democratic Labour Party, they always ask where are the jobs because they have a fixation that only a certain category of workers are involved. If you do not see the category that they are looking for, no jobs are there.

SENATOR F.J. STUART: On a point of order. Senator Griffith must not mislead the Honourable Senate. The point I made, certainly, in the name of the Democratic Labour Party is that the Barbados Labour Party at the start of its term of office assured this country that the international business sector would be responsible for the creation of 2 000 jobs per year, over a five-year period. All I have asked is, was the mandate met or has it been revised? That is all I have asked.

I am obliged to you.

S35: 12.40

Sequence 10

Wednesday, July 20, 2005

Senate 35, sequence 11, 12.40 p.m.

Senator the Hon. E.G. GRIFFITH: Mr. President, I think Senator Stuart is ahead of me. I have not yet reached that point. I am speaking about an encounter which I had with a Minister from the Democratic Labour Party who asked me that question, and I did not attribute that question to Senator Stuart.

In fact, there is only one person from the Democratic Labour Party that I had the opportunity to speak with on this matter who clearly, out front understood the importance to the sector and promoted it. All of the others that I have encountered kept speaking about the Mafia and asking where are the jobs, meaning the lowest level jobs. I have always had the difficulty of pointing to them that there are many jobs but not at that level. The company which is operating may not need more than one maid, but that company will hire legal services, accounting services and other services.

Sir, looking at the international business entities, one has to look at the various areas from which they purchase

their services and then one will see that there are many jobs being created, and many possibilities for people with particular skills. This is not to say, as Senator Eastmond pointed out that you do not have facilities like the call centres and other entities, which have larger numbers of jobs at a lower level and so, I can assure Senator Stuart that the sector is still delivering.

I noticed carefully that when he was speaking, he spent much time talking about persons from the Barbados Labour Party boasting and regaling about numbers. There is no boast. We are just stating the facts. This sector has made a significant contribution to our economic development, and the life of this country from its inception and will continue, as long as it is promoted.

It is also a fact, Mr. President, that some damage was done to the sector by the OECD harmful tax practice exercise. I had a discussion with persons from the Inland Revenue Department in London and I asked them if they were supportive of the idea that countries and businesses had to be competitive in order to progress. They told me, yes, because that is what they promote in the WTO when it comes to trading goods. We speak about it here also that we need to make this country competitive internationally and they were all for that, Sir, and I asked them a question. What is therefore wrong if my tax rate is lower than yours and I am more competitive in this area than you? Obviously, they had nothing to say.

Therefore, the real issue was that we were being more competitive in these areas than they were, therefore, we were attracting business which they were losing. This is what we have to fight against every day. We will not relax. We will always be vigilant because we know the importance of protecting this sector and we accept that as is the case with trade in goods, when it comes to trade in services, we will have to wage a battle, day in and day out.

Mr. President, I think that addresses most of the issues, since the responses by Senator Eastmond and Senator Husbands had already dealt with most of the other issues.

Therefore, 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.G. GRIFFITH, the Senate resolved itself into Committee on the Bill, Her Honour Senator Dame Patricia SYMMONDS in the Chair.

COMMITTEE

Madam CHAIRMAN: The Senate is now in Committee.

Clauses 1 and 2 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 motion of Senator the Hon. E.R. GRIFFITH, the Bill was read a third time and passed and cited as the International Business (Miscellaneous Provisions) Act, 2005.

SUSPENSION OF SITTING

Senator the Hon. E.R. GRIFFITH: Mr. President, I beg to move that this Senate be suspended until 1.50 p.m. today.

The question that the Senate be now suspended until 1.50 p.m. was put to the Senate and agreed to and Mr. PRESIDENT suspended the Senate accordingly.

Senate 35, sequence 11, 12:47:45

Wednesday, July 20, 2005

RESUMPTION

Mr. PRESIDENT: This Sitting is resumed.

ORDER No. 5

RESOLUTION TO APPROVE IN ACCORDANCE WITH SECTION 5 OF THE LAND ACQUISITION ACT, CAP. 228 THE COMPULSORY ACQUISITION BY THE CROWN OF A PARCEL OF LAND SITUATE AT FLINT HALL, IN THE PARISH OF SAINT MICHAEL IN THIS ISLAND FOR THE PUBLIC PURPOSE OF THE CONSTRUCTION OF THE ERDISTON/CARRINGTON PRIMARY SCHOOL

SENATOR the Hon. E. R. GRIFFITH: Mr. President, the Resolution before us is seeking permission for the Government to compulsorily acquire a parcel of land at Flint Hall for the purpose of constructing a school, which would result in the amalgamation of the Carrington Primary School and Erdiston Primary School.

Mr. President, some time ago Government acquired part of that land with the intention of using it for the Transport Board. That project is no longer proceeding and the idea is that this additional portion of land would be added to that to create the facilities for this new school. An earlier decision was taken to relocate the Carrington

Primary School on a site just off Tweedside Road, which was owned by Dr. Stuart. Since then it has been thought that site would be better use for a housing project and that the school should be constructed at Flint Hall.

Mr. President, I have had the opportunity to visit both sites. I have heard some remarks from various individuals about the suitability of Flint Hall, but I do not join with those persons because what I noticed when I went to Flint Hall was that the existing building is way in from the entrance and that it is quite a distance away from any traffic on the road. Yes, there is a road that passes at the side of the building but that is not leading into the building. Therefore, I think that it is a better site than the one at Tweedside Road, in fact, I am satisfied that the decision to use the Tweedside Road site for a housing project is the correct decision because it would not only fit in with what now happens in that area but will create some additional housing spaces for persons who are in need of housing.

The school at Flint Hall will permit the amalgamation of the existing Carrington Primary School and Erdiston Primary School. The school would be outfitted with all of the facilities to accommodate the EduTech Project and so the equipment at the school will be upgraded from what now exist at those two schools, and I am sure that it will be an additional benefit to the school community. Therefore, with those few remarks I beg to move that this Resolution do now pass.

SENATOR Dr. D. S. LOWE: Mr. President, as we contemplate the development of Barbados and understand the role that it must occupy in a global stage, we are often forced to contemplate the importance of education and what must drive the development of educational policy and the provision of educational services.

Mr. President, you would agree that Barbados, as an independent country, is known for its standards of education particularly as it relates to the overall performance of its students in critical areas. Therefore, whenever there is a debate on matters relating to education, which perhaps some might contemplate as minimal as a consideration for land acquisition, one must take the opportunity to continue to encourage the State to look at the four corners of its educational plank to ensure that the best possible circumstances are offered or created so that our students, at whatever age of educational training and development, would be able to maximise their academic opportunities.

Senate 35 Sequence 12

2.00 p.m.

Wednesday, July 20, 2005

SENATOR Dr. D. S. LOWE: Mr. President, we understand that this effort to acquire this piece of land and to move forward with the amalgamation of these two primary schools, which has been incubating for sometime. Therefore, having now demonstrated a very extended gestation period, we are hopeful that there would be some deliverance of the project that had been promised to this neighbourhood.

Mr. President, we believe that when one contemplates the merging of schools, one has to look at some of the important dynamics involved, not only in education as is delivered but in education as a process of learning, a process for development for individuals.

Mr. President, we understand that there are some perceptions that have coloured the way of persons within the affected communities, as well as observers generally in the country, relative to how those two schools will be impacted by this merger, and whether or not the Government has entered into the kind of developmental planning that would inform it as to how it should proceed with the merging of these schools.

Mr. President, the Democratic Labour Party believes that it is very important that, as we move forward in terms of our educational development policies and practices, that every individual in the country, particularly at the primary school level, has the opportunity to be placed in an environment where he or she can maximise his or her learning capabilities.

Mr. President, as we contemplate this merger, I have asked myself a few questions, which I believe the Honourable Leader of Government Business would be able to answer. I often applaud him for his astuteness in terms of studying these Bills and Resolutions and his ability to respond to some of the questions posed to him by Honourable Senators, in such a timely and sometimes fashionable fashion.

Sir, I would want to take a moment to query a few things. First of all, we have no difficulty in the acquisition of the land, because it is imperative that in relation to primary school education, that matter be executed with some haste, as it impacts upon Carrington Village and other communities, to ensure that there is no interruption in the learning journey of those persons who are now accessing education from these two schools.

Mr. President, when we look at it, we have to ask ourselves what is happening in this whole effort. Are we just merging schools onto a common physical space? Is it just a matter of moving students from two separate locations, into one location, or are there other dynamics interplaying in the process of making the decision relative to this move?

Mr. President, I would want to suggest that first of all, we all believe that primary school education actually deals with the shaping of the nation's future, as it relates to building the capacities of individuals, as early as in their primary school years, or what is called their formative educational years. Sir, it is not only about helping individuals to be able to identify their potentials, but to be able to create an environment where there are no incumbrances that would impact negatively upon their development.

Sir, we know that the matter of merging schools is nothing new. Perhaps it might be new in Barbados but not in the world over, for the United States of America has gone through a whole course of merging schools. They have built what is called neighbourhood schools, where they attract a learning population from a common area, where they share social services, recreational facilities, the same kinds of religious or Christian experiences, et cetera.

There is then what is called alternative schools, where they bring what is called busing populations in from the various locations, into a common space, where they are trying to promote things such as racial integration, socio-economic sameness, et cetera. Sir, when I look at those principles and ask myself what is happening here, I am forced to contemplate the fact that this particular effort by the Government is not only going to impact upon the creation of a common learning space but that it is also going to impact upon the differences of those individuals who have been brought into this learning space.

Mr. President, I think we all would agree that the Erdiston Primary School has traditionally attracted students from around the country. It is the kind of example of what the alternative school system is in other parts, where there are persons from the varying socio-economic backgrounds and/or persons who share common socio-economic experiences, being brought into a school location, where some have argued that the facilities and services provided, are far superior than perhaps the facilities and services at the Carrington Primary School.

Mr. President, some have argued, by a perception or by a reality, that there is a distinction between the kinds of circumstances that influence the learning experience of the students at both locations. Therefore, I see the creation of this common learning space as going to impact upon how students and families interpret the conditions under which their children will learn, which I think, is an important consideration as the Government pursues the particular endeavour.

Sir, it must not be understood that we are simply finding a piece of land, building a school and bringing children from different places, to dwell in this particular school space, as though it is the beginning of their learning

experience. These students are being transplanted from two different locations which, by people's analyses, have very different profiles, in terms of how students learn; in terms of students performances and students output; in terms of some socio-economic status differences; in terms of the actual facility and what is provided in one versus the other.

Mr. President, I have heard some say that in Erdiston Primary School, there are circumstances that are very different from how they are experienced in the Carrington Village Primary School. Sir, I do not know. I have never been to either schools but I think that when

the public expresses their concerns, that it is the responsibility of us as Honourable policy-makers, to examine and to explore whether or not there are any virtues to be gleaned from the arguments or considerations expressed by some.

Sir, I would be concerned, if, for example, there is a perception that students at the Carrington Primary School tend to be performing at a level which is different from that of the students at Erdiston Primary School, as is reflected in the kind of passes and the kinds of high schools to which they would be attracted. I would want to think that if that is a reality, then the policy-makers in education would have to give some consideration of how bringing these two populations together, could be done without creating any social distance.

Sir, that is important because we do know that in terms of the development of relationship, whether they are inter-gender relationships or interracial relationships, that the primary school environment helps to shape how young boys and girls see themselves. We know that within such environments, that they are the kinds of developmental trends which are impacted by those considerations.

Mr. President, has the Government done a comprehensive impact study, to look at these social factors and being able to give answers as to whether or not there is a plan in place to alleviate the possibility of any social distance occurring?

Sir, we know in the world of education in Barbados that it is not uncommon for students wanting to go into any primary school. Some years ago there was the amalgamation of the St. Simon's/St. Saviour's Primary School schools, and at another point, that amalgamation moved from St. Simon's/St. Saviour's Primary, to St. Simon's/St. Saviour's/St. Andrew's Primary School.

2.10 p.m.

Wednesday, July 20, 2005

SENATOR Dr. D.S. LOWE: If you know the social terrain of St. Andrew's, you would know that there are some distinct similarities in communities like St. Simon, Haggatts, Cane Gardens and part of Fruitful Hill, Belleplaine and so on that would have attracted students at St. Simon's/St. Saviour's. Then, an interesting thing happened. When the St. Andrew's Primary School was under refurbishment, they were forced to move the students from St. Andrew's Primary to a location at St. Saviour's which was located in the Bruce Vale area, where students from three schools were working together. Mr. President, you would not imagine the kind of social turmoil that emerged because the parents at the St. Andrew's Primary School felt that the amalgamation with St. Simon's/St. Saviour's was a potential problem and could have resulted in some kind of learning performance deficit for their children.

Mr. President, needless to say the students from the Andrew's Primary School have gone back since it is now finished and both St. Andrew's Primary and

St. Simon's/St. Saviour's have produced students who are going to Combermere School, Alleyne School, Harrison College and the like.

Mr. President, we cannot deny that in this process of managing a country, perception as riveting as reality and, very often, what guides the involvement of people in national issues on education and the like is whether or not their perceptions link closely with reality and whether or not they can create the distinction between what is real and imagine.

Mr. President, I am saying that it is the responsibility of the policy-makers in education to be distinctly clear as to what will be the impact of this merger, not only in terms of whether or not they would be fallout or whether or not they would be influx or whether or not people would feel that some students would be at a disadvantage or that this single school would benefit from the kind of resources that Erdiston Primary School when separate, benefited from and that Carrington Primary School needed when it was separate. We know that an argument has been proffered that Carrington Primary School has always been seen by some as the second-class school in this general area.

Mr. President, I believe that all Honourable Senators would want to ensure that there is no false perception guiding the expectation of parents and guardians that would result in some disruption in the learning process in this new environment. Sir, that it is the responsibility of the Government through the Ministry of Education to ensure that there are some guiding principles that underlie the effort to create the amalgamation of this new school.

Mr. President, I believe that a lot of us have reached a stage where we accept the fact that the conditions of the society and the world is now requiring Barbados to look and rethink its policies on education. I believe it is important for us to begin to ask ourselves all over again what the goals of education must be. I believe it is within reality that all of us involved in the development of policy as it relates to education begin to ask ourselves what is essential in terms of our effort to educate our population, especially in this drive for efficiency, good morale conduct and standard and in this drive to ensure there is a reduction in anti-social behaviour to make sure that we really increase these important elements.

Mr. President, therefore, I want to suggest that we make every single effort to fully explore because, on more than one occasion in this Chamber, we have asked questions on the whole issue of impact studies. Sir, as recent as the last set of debates in this Chamber, we have come face to face with the debate on whether or not the Government has given the full consideration to the needs of the people in the Rock Hall area relative to the monument.

Mr. President, it is important because you cannot do impact studies, after you have started a project. After you have put your systems in place, you cannot go back and do impact studies unless you want to undo some things already done as a result. Sir, impact studies mean that you go in and look at every possible angle where the lives of people would be affected.

Sir, someone said quite eloquently in another place that bringing all these students together at this common location there would have to be consideration for the regulation of pedestrian and other traffic. We wonder whether or not there would be enough recreational space so that students would be able to do what primary school children normally do in the course of their education to develop them, that is, to have the kind of social space where they can segregate when they wish to. Sir, primary school years are characterised by early childhood development and boys tend to love to play with their own gender on the playing field, girls get together with girls and as they develop they begin to do what is called their interrelated development in terms of gender issues.

Mr. President, we need space but then there is the physical need where young students want to be able to parade around the place, do a number of things and they cannot be confined by space. Mr. President, I understand this well because I am running a summer camp in Christ Church East and we have about 140 kids. It has become a challenge to ensure that we create the kind of space where they can enjoy their experience not only in terms of academic learning but in terms of the other social and critical morale skills that they need to develop. I understand this concern because I speak from a position of experience.

It becomes critical for us to interject this experience in this debate because we are talking about this kind of educational development.

Mr. President, we have no difficulty with Government's intent to promote the full development of educational opportunities at the primary school level but we want to ensure that there is the full contemplation of those issues that, if not carefully, studied could create some challenges as we move forward. We want to ensure that the kind of exploratory research that is need, not only restricted to particular educational endeavour by the Government but that we have to begin to contemplate how we are going to address these challenges now facing the educational system in Barbados, not only at the primary school level but across the spectrum in education.

Mr. President, I am not too comfortable that the current directorate in education has been as vigorous as they ought to be in helping the country to understand what is the new educational mandate. This mandate has to be driven by some understanding of what the theoretical models in educational development entail and also has to be undergirded by a full understanding of how people learn and what is essential to be learnt. If the economic landscape of the region and globe has been shifting, which is influenced by the dominance of globalisation, and if Barbados is becoming an international stage in terms of business development and other things like tourism and so on, it seems to be that those who are guiding how our children development, what ought to be learnt and what ought not to be learnt, how we must mould them into citizens, not only of Barbados but of the globe, it seems natural to me that there has to be some robust educational policy that would influence how we move forward.

Mr. President, I am hoping that as the Opposition certainly gives its blessing to the moving forward of this particular endeavour, that Government would give every possible consideration to those critical question we believe needs to be answered before we get too far into this project.

Mr. Speaker, some members on the side of the Government have suggested that it is a project not well thought through and that it should be scraped, but we are not going that far. We are saying that if we do not give full consideration that we would run ourselves the risk of exempting some of the critical elements in the development of education in the long term and, therefore, we need to give thought to those things that must be given full thought.

S35/14:20

Sequence 14

Wednesday, July 20, 2005

Senator Dr. D.S. LOWE: We want our children to have the best possible opportunity in this country. We want our children to be able to access any educational opportunities they may choose. If a parent from St. George want to send his or her child to this particular school, they should have the freedom to do so and likewise a parent from St. Andrew. Sir, in doing so, we would want to ensure that the children who will be actual the guardians of this school, in terms of their community, have every opportunity for full consideration.

I heard someone talk about the whole issue of mainstreaming and the fact that there are children in one school that have disabilities and you need to create the kind of services that these students' needs can be met, without isolating them from the regular classroom. We know that is an international educational trend, the years over.

It means that we have to increase resources and I understand that Carrington School has been crying for resources. They have also been crying for the upgrading of the physical environment. They have been crying for resources that are human resources as well as material resources and I am hoping that this particular effort would alleviate a lot of the struggles that this school would have gone through.

Mr. President, with those few words, I am much obliged to you.

Mr. PRESIDENT: Senator Dame Patricia Symmonds:

Her Honour Senator Dame Patricia SYMMONDS: Thank you, Mr. President.

Mr. President, I propose to stick to the Resolution for the most part and not be tempted by Dr. Lowe's pronouncements except to invite him when he could find time, and I think he should, to read a document which has been laid in this House and I am sure he can get a copy from the Ministry of Education, where, "Each One Matters."

I should also like to invite him to listen more carefully to the present Minister of Education and he will have doubt about what the philosophy is in educational matters and policies. Sir, even putting political differences aside, if he could find the little time, and I have time, I also might be able to put him right when it comes to education.

Mr. President, to refer now to the Resolution, I wish to begin by stating that Carrington's Primary School is in a state of disrepair. It is situated on a very small plot of land without privacy, playing fields or quiet. It is a largely open school because of the circumstances, much of the teaching/learning process is done outdoors. There is just

one hall. It is very confined. It needs moving, in order to make the teaching and learning environment more effective. The school roll is approximately 150.

On the other hand Erdiston is much larger. It has a roll of just over 400. Therefore, the new school will house 600 students. The two schools are geographically close and, interestingly - and please hear me, Mr. President, ask Dr. Lowe if he will listen closely to this - Erdiston and Carrington serve similar catchment areas. I think that should dissipate your concerns about social differences and potential, social implications or repercussions. I think it will answer those and make Senator Lowe realise that his fears will be groundless.

Almost all our teachers in the Government primary and secondary schools now are trained. I hardly think it would need even guidelines from the Ministry. I think that Principals and teachers themselves, are well-trained and wise enough to deal with any social differences that may exist and probably will not.

Erdiston lacks enough physical space. The new school will have 27 000 square feet of room and therefore, it will be significantly bigger. I can assure Honourable Senators that there will be plenty of playing space, one hall, three reception rooms, three Infants A rooms, three Infants B rooms and also be three Class I, Class II, Class III and Class IV rooms.

In addition, there will be two nutrition serving rooms, three bathrooms for boys and three bathrooms for girls, and two sick bays, one for boys and one for girls. I think it is also important to stress that there will be ramps for children with special needs and toilets specially designed for wheelchair entry.

There will, of course, be a staff room and a staff lounge. There will also be three teachers' points, in case anyone does not understand that means three rooms where senior teachers can help to supervise some areas of the school. There will be a Principal's office and a general office area. There will be two computer labs for children from Class I, that is from age 7 or upper juniors as they are called.

Mr. President, up to March this year, between 2004 and 2005, the Ministry spent just over \$47 000 almost \$48 000 in repairs on the two schools. Sir, even this year already, just over \$21 000 have been spent and this is one of the major considerations for amalgamation.

I know that economics is not all. I am well-aware of what we education our children for and am sure the Ministry is even more aware of it. Sir, there have been amalgamations in the past, as Senator Lowe rightly mentioned, for example, All Saints, Ignatius Byer and

Hilda Skeene and you want to keep schools in their neighbourhood. The amalgamation will be an improvement for both schools, physically and aesthetically, and the physical enhancement should improve teaching and learning.

In the Ministry of Education there is focus on balanced primary education. Mr. President, it would have been wrong to allow both schools to exist in what are substandard physical conditions. One could not conceive of moving Erdiston and leaving Carrington Primary in that close environment, where teaching is made difficult by the many distractions.

The next thing would have heard is that they moved Erdiston, giving children of a certain bracket opportunities and left Carrington Village there.

14.20 p.m.

sequence 15

Wednesday, July 20, 2005

Senate 35, sequence 16, 2.30 p.m.

Her Honour Senator Dame Patricia SYMMONDS: Sometimes it is a question of not knowing how to please people but I always say that Barbadians are so very happy that sometimes they are not aware of it, and of our excellent education system.

Mr. President, if I were to go on to talk about the goals of education and what we have done - it is true that I have only half an hour but if I had the chance - I would go on until midnight. Sir, suffice it to say that I heartedly support this Resolution.

Thank you, Mr. President.

Mr. PRESIDENT: Senator Chandler.

Senator Dr. F.L. CHANDLER: Mr. President, I would just like to make a few simple and practical comments. I think it is clear that schools contribute to a large extent to the traffic congestion in Bridgetown and the surrounding areas. I have always maintained that in any long term planning, there should be a plan to eventually move the schools from the Bridgetown area. Therefore, I cannot support the Resolution to acquire land to site a school in the Flint Hall area, where there are already three or four schools, as far as I know, in the immediate Flint Hall and Welches area.

Although obviously I see the importance and the real necessity of re-siting the two schools, I do not agree with the location that has been selected. I think that an area

further outside Bridgetown would be much more suitable. I am not talking about going into the country because of course then, we would run into problems with emissions from farms, but a less congested area than Flint Hall. I definitely think that placing a school there is going to exacerbate the traffic problem.

I thank you, Mr. President.

Mr. PRESIDENT: Senator Husbands.

Senator Miss. S.C.V. HUSBANDS: Thank you, Mr. President. The continuing development of our educational sector in Barbados is very important to our growth and development. One of the things that we had a very long and proud history of concerning education, since Independence, has been the fact that we have been able to provide free education for our children.

The acquisition of the land at Flint Hall to be able to provide for the children of the Erdiston and Carrington Schools and also to provide additional spaces for other persons who would be in that immediate area, I think it is important one, in terms of ensuring that people and children from all walks of life are able to acquire the quality education that they need.

Currently in Barbados there have been a lot of discussion and dialogue recently in the newspaper, where someone wrote that the schools and roads were in disrepair. This sounded as though Barbados was on the verge of a total collapse, because we needed to do something with our schools and roads.

This particular item that is before the Senate at this time speaks again to the fact that the Government continues in its commitment towards education and to the people of Barbados from all walks of life to ensure that they are able to access the type of education that they need in order to develop. Sir, when we look at the Government's policy in relation to the new schools being built and the refurbishment programmes that it is doing, the Government is perfectly cognizant of the fact that the whole education system had to be changed. Therefore, the EduTech Programme, which seeks to look at curriculum development, teacher appraisals, as well as helping children to transition onto the new computer age, all of the physical structural development is to facilitate that transition, so that we build the schools of the future.

What are the benefits to be derived from this? I had the privilege of visiting a school in St. Lucia where they build a new compound, brought troubled children who were giving problems at school and underachieving, they had a completely computerised environment for those children.

The Headmaster reported to us who were doing the tour that since they brought the children into that new environment with the computer technology, the change in teacher education and the way in which teachers provided education to children, they saw a tremendous improvement in terms of the performance of children, their interests, behaviour, the level of discipline where children were much more engaged and learning much better with the use of this new technology.

Therefore, I was extremely heartened by that experience to be able to anticipate just such a response here in Barbados, as our children are provided with a plant that is able to work to their advantage to allow them to engage in the education that they need, so that they can again be stimulated by their learning environment.

This has been a major concern for us as Barbadians and for me, not only as a citizen but as a person who teaches adults. I am extremely concerned about the level of interest children are paying in their education. I came along hearing "Sparrow" singing about children go to school and learn well. I came from an environment which promoted that and I know over recent months, and over the past few years that there has been a great deal of concern over the fact that our children have not been learning.

I believe that the Government's commitment to providing such a complex that was described so ably by Dame Patricia, when she gave her speech, so that type of facility is going to create the type of motivational environment, the access to the computers, the retraining of the teachers, in which our young children will again, recover and be stimulated to perform in school, in a way that they may not have been doing before, Sir. Therefore, I want to truly applaud the Government for putting this together and looking to see how we are going to put a high-tech school available for working class children.

There were some issues raised by Senator Lowe that gave me some cause for concern and I want to take the opportunity to speak to these issues. I think it is important when we are speaking concerning matters pertaining to education, it is important for us to be clear that we are not sending out mixed messages.

One of the issues he raised was the concern where there are parents who have concerns that children mixing from different abilities and backgrounds, there are going to be clashes or disadvantages to one group or the other. The truth is, Mr. President, when I hear issues like that it says to me that the people who really need the help are the parents, who really need some education.

Sir, we are living in a very diverse, multi-cultural and open world, where you now have to do business and operate with people from all kinds of backgrounds and in

all kinds of places. Therefore, the Barbadian community, especially as a tourism destination, has to be able to build up that type of ability to mix and operate with other people. Therefore, if from at primary school, our children cannot get along together, it says that there is something wrong, in relation to the way in which we are training them that they find it difficult to mix with people of different abilities or backgrounds.

In other places, people have found it extremely useful as a way of cross-fertilisation that when children are exposed to different people, it helps with the learning of all. They learn other skills, not just academic skills but they learn things like tolerance, managing differences, conflict resolution and patience. All these are qualities that we need to inculcate in our people so that we do not have to be hanging flags up and down the ABC Highway, talking about being tolerant towards people because we failed to address diversity and difference within the school system. Therefore, I welcome anything that brings our children together from different backgrounds that helps them to mix and to learn well.

The other thing that was of concern to me was the issue raised about different schools having different resources. It would seem to suggest that there is some Government policy that seeks to give some schools more than the other. I want to assure Senator Lowe that is not the case, and that is not the way the Barbados Government has ever operated, whether it has been the Barbados Labour Party or the Democratic Labour Party.

The allocation of resources to schools has been to ensure that children get an equal opportunity, in relation having access to certain things to allow and facilitate learning. What has often made the difference in schools has been the management of the school, the support given by parents, the support of the business community, and a lot of that has to do with whom the parents know, as well as the way in which the teachers operate within the environment.

I want to congratulate the Ministry of Education for an article they had in the newspaper.

Senate 35, sequence 16, 14:40:14

Wednesday, July 20, 2005

SENATOR Miss S. C. V. HUSBANDS: Just recently they had an article in the newspaper where they were looking at the underperformance at some schools and wondering what is the problem or if something is wrong with the way in which they were teaching because it cannot be that something is wrong with the children. What the Ministry of Education did was to take teachers who had greater experiences and more expertise and mix them

across the school population and they began to see an improvement in how the children were performing.

Mr. President, I think that is to be commended because we have to find new and different ways to help improve our schools performance because the primary schools will benefit from those types of initiatives. Therefore, I want to encourage all of our citizens to play their part in education because education does not begin and end with the teacher, it begins in the home and parents have and the community have a responsibility and those of us who have had the benefit of good education need to take the time to mentor others.

Mr. President, the amalgamation of the Erdiston/Carrington Primary School that will be established in Flint Hall provides an opportunity for those of us who benefited to work with those children to help to encourage learning and to help stimulate, motivate and guide them and help them in the development of their values.

Mr. President, I want to commend the Ministry of Education for the job that it has been doing and the Government in general for their continued commitment to education and to improving the physical structure and the mental learning environment for the children of our nation.

I thank you.

SENATOR the Hon. E. R. GRIFFITH: Mr. President, I wish to thank all Senators for their contribution on this matter. I share the views of Senator Lowe that very often there is a perception of certain schools in relation to other schools, however, I have to say though that it is only a perception in most cases if not in all cases. I also agree with him that we as policymakers have to play our role in helping people to understand the difference between the perception and the reality.

Mr. President, I speak as a parent. I remember the days when my children use to go to the Holy Trinity School in the country, which was a small school, when people would pass Holy Trinity School, and head down to Erdiston Primary because they had a perception that something better was happening there. I nearly join that group on one occasion but I was rejected and I always thank the Lord that I was rejected because I can speak proudly today about the Holy Trinity School even though it no longer exists and can say what happened when they remained there.

Mr. President, there is no doubt in my mind that across the educational system in Barbados that teachers are equally well-trained and that we have good teachers at all the schools, some in greater abundance than at others. Mr. President, children will learn wherever they are as long as

the correct environment is created by those who are responsible for the schools where the children go.

Mr. President, there is a perception that a certain class of children go to Erdiston Primary School as opposed to those who go to Carrington Primary School even though the catchment area for the majority of them are the same with the minority coming from other parishes. Therefore, I do not have any doubt in my mind that the amalgamation of the two schools would work to the benefit of both groups.

I do not feel that any one group would be disadvantaged by joining with the other group. Children at that age, if left alone by the parents, would grow up without a lot of the prejudice that the parents put in their heads. Children are not born with those prejudices. If you watch them from small you would see that they would play together until the mother comes and say not to play with each other, which is a different issue, so I do not have any misgivings.

Asides.

SENATOR the Hon. E. R. GRIFFITH: I said the mothers because mothers always tend to lay claim to bringing up the family.

Mr. President, I have no doubt that the amalgamation of the two schools would work to the benefit of all those involved, therefore I would certainly urge those who are responsible for managing the plant to make sure that the outcome is one that is beneficial and acceptable to all.

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

The question was put to the Senate and agreed to.

ORDER No. 6

RESOLUTION TO APPROVE THE LEASE UNDER SECTION 5 OF THE CROWN LANDS (VESTING AND DISPOSAL) ACT CAP. 225 TO WORLD CUP BARBADOS INC. OF A PARCEL OF LAND TOGETHER WITH THE BUILDING THEREON KNOWN AS HERBERT HOUSE SITUATE AT FONTABELLE, IN THE PARISH OF SAINT MICHAEL IN THIS ISLAND

SENATOR the Hon. E. R. GRIFFITH: Mr. President, this Resolution is seeking permission to have the property at Fontabelle known as Herbert House, leased to World Cup Barbados Inc. to be used as a ticketing centre, as temporary office accommodation for the Barbados Cricket Association, as well as a satellite office for World Cup 2007 Inc. and World Cup Barbados Inc. This is in

keeping with the obligations of World Cup Barbados Inc. for the management of certain matters in relation to the Cricket World Cup 2007, which would be staged in Barbados.

Mr. President, it is proposed that Herbert House be leased to World Cup Barbados Inc. for two years since it is not anticipated that the company would require the use of the property beyond the Cricket World Cup. They are asked to pay a nominal rent of \$4 400 per annum, which would enable the payment of the insurance for the property. World Cup Barbados Inc. would be responsible for the maintenance of the property during the time that they have access to it.

Mr. President, in my view this is a fairly straightforward matter, therefore I do not propose to speak long on it. I therefore beg to move that this Resolution do now pass.

The question was put to the Senate and agreed to.

ADJOURNMENT

SENATOR the Hon. E. R. GRIFFITH: Mr. President, since that brings us to the end of our business for the day, I beg to move that the Senate do now adjourn sine die.

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

Senate 35 Sequence 17

2.50 p.m.

CONTENTS

PAPERS

SENATOR the Hon. E. R. GRIFFITH.....	1
1. Annual Report of the Central Bank for the year 2004;	
2. Duties, Taxes and Other Payments (Exemption) (Caribbean Hotel Association) Order, 2005;	
3. Value Added Tax (Refund) (St. Gabriel's School) Order, 2005;	
4. Value Added Tax (Refund) (Calvary Moravian Church) Order, 2005;	
5. Excise Tax (Rate of Tax) Order, 2005;	
6. Reports of Judicial Council for the years 2003 and 2004;	
7. Passports and Travel Documents (Fees) Order, 2005;	
8. Annual Report for the National Sports Council for the period April 01, 2003, to March 31, 2004.	

PUBLIC BUSINESS

ORDER NO. 2 – SECOND READING OF THE BILL ENTITLED AN ACT TO AMEND THE STAMP DUTY ACT.....	2
Senator the Hon. E. R. Griffith, 2.	

ORDER NO. 3 – SECOND READING OF THE BILL ENTITLED AN ACT TO AMEND CERTAIN ENACTMENTS RELATING TO INTERNATIONAL BUSINESS.....	2
Senator the Hon. E. R. Griffith, 2, 11, 12; Senator F.J. Stuart, 3, 8, 9, 12; Senator Miss. S.C.V. Husbands, 4, 5, 6; Senator the Hon. Miss L. V. Eastmond, 7, 8, 9, 10.	

RESUMPTION

ORDER NO. 3 (resumed)

RESOLUTION TO APPROVE IN ACCORDANCE WITH
SECTION 5 OF THE LAND ACQUISITION ACT, CAP. 228 THE COMPULSORY ACQUISITION BY THE CROWN OF A PARCEL OF LAND SITUATE AT FLINT HALL, IN THE PARISH OF SAINT MICHAEL IN THIS ISLAND FOR THE PUBLIC PURPOSE OF THE CONSTRUCTION OF THE ERDISTON/CARRINGTON PRIMARY SCHOOL

SENATOR the Hon. E. R. GRIFFITH.....	13
Senator Dr. D. S. Lowe, 13, 14, 15, 17; Her Honour Senator Dame Patricia Symmonds, 17, 18; Senator Dr. F.L. Chandler, 18; Senator Miss. S.C.V. Husbands, 18, 19.	

RESOLUTION TO APPROVE THE LEASE UNDER SECTION 5 OF THE CROWN LANDS (VESTING AND DISPOSAL) ACT CAP. 225 TO WORLD CUP BARBADOS INC. OF A PARCEL OF LAND TOGETHER WITH THE BUILDING THEREON KNOWN AS HERBERT HOUSE SITUATE AT FONTABELLE, IN THE PARISH OF SAINT MICHAEL IN THIS ISLAND

SENATOR the Hon. E. R. GRIFFITH.....	20
SUSPENSION.....	13
ADJOURNMENT.....	21
Senator the Hon. E. R. Griffith, 21.	

SPEAKERS IN THIS ISSUE

CHANDLER, Senator Dr. F.L.
EASTMOND, Senator the Hon. Miss L. V.
GRIFFITH, Senator the Hon. E. R.
HUSBANDS, Senator Miss. S.C.V.
LOWE, Senator Dr. D. S.
STUART, Senator F.J.
SYMMONDS, Her Honour Senator Dame Patricia

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EDITORIAL NOTES — NOT PART OF THE REPORT

Prepared with the transcript; for checking against the recording and the Minutes.

EDITORIAL QUERIES

Points noted while preparing this report from the edited transcript. The text has not been altered except where stated.

Q1. Masthead. The session is not stated in the source, so no session line is printed.

Q2. Order No. 2, heading. The heading reads ‘AN ACT TO AMEND THE STAMP DUTY ACT’, presumably ‘THE STAMP DUTY ACT’, and the Bill was cited on passing as the ‘Stamp Duties (Amendment) Act, 2005’. Printed as in the source.

Q3. Order No. 3, speaker labels. Senator the Hon. E. R. Griffith is labelled ‘Senator the Hon. E.G. GRIFFITH’ in his reply and in the following procedural sentence, and Senator Husbands is labelled both ‘Mrs.’ and ‘Miss’ S. C. V. Husbands. Printed as in the source.

Q4. Order No. 3, opening. Senator the Hon. E. R. Griffith’s opening line breaks off after ‘Mr. President, this’, with the rest of the sentence (‘International Business (Miscellaneous Provision) Bill before us...’) printed as a separate paragraph. Printed as in the source.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The Senate met on Wednesday, 20th July, 2005 at 11.25 a.m., with the President, His Honour Senator Sir Fred Gollop, in the Chair; prayers were led by Senator T. E. Barker. The Leader of Government Business, Senator the Hon. E. R. Griffith, laid eight papers, among them the Annual Report of the Central Bank for 2004, the Excise Tax (Rate of Tax) Order, 2005, the Passports and Travel Documents (Fees) Order, 2005 and the Reports of the Judicial Council for 2003 and 2004.

On Order No. 2, Senator Griffith moved the second reading of the Bill to amend the Stamp Duty Act, which gave effect to a proposal by the Minister of Finance in December 2004 to remove stamp duty from shares of International Business Companies and societies with restricted liability when pledged against obligations discharged outside Barbados, a burden he said competitors did not carry. The Bill passed through Committee, with Madam Deputy President in the Chair, and was passed without debate as the Stamp Duties (Amendment) Act, 2005.

Senator Griffith then moved the second reading of the International Business (Miscellaneous Provisions) Bill, 2005 (Order No. 3). He recalled the sector’s struggles with the OECD and the World Trade Organisation rulings on FSCs. He explained that licences, with a fee of \$500, ran for the calendar year with one month’s grace, after which a company ceased to be registered, and that the Bill would allow IBCs and ISRLs to be reinstated if they applied within five years of expiry. Senator F. J. Stuart asked what results the sector had produced for ordinary Barbadians, whether Barbados was becoming ‘a service economy or a service station’, and who benefited from any jobs created.

Senator Miss S. C. V. Husbands set out the difficulties of building a financial services sector and commended the Ministry of International Business and the Barbados Industrial Development Corporation. Senator the Hon. Miss L. V. Eastmond said Barbados had one financial services sector, not separate international and domestic ones, and that business was out there for whoever could catch it; she and Senator Stuart exchanged points of elucidation on ‘paper transactions’. In reply, Senator Griffith’s remarks drew a point of order from Senator Stuart, who said his question was whether the promise of 2 000 jobs a year over five years had been met. The Bill passed Committee, with Her Honour Senator Dame Patricia Symmonds in the Chair, and was read a third time and passed.

After a suspension, Senator Griffith moved the Resolution under Order No. 5 for the compulsory acquisition of land at Flint Hall, St. Michael for a school amalgamating the Carrington and Erdiston Primary Schools, on land partly acquired earlier for the Transport Board. Senator Dr. D. S. Lowe supported the acquisition but raised perceptions about the two schools and asked how the merger would work in practice, citing school mergers in the United States. Her Honour Senator Dame Patricia Symmonds invited him to read the document ‘Each One Matters’. Senator Dr. F. L. Chandler opposed the Resolution, arguing that schools added to congestion and that there were already three or four schools in the Flint Hall and Welches area. Senator Husbands supported it, and Senator Griffith said the amalgamation would benefit both groups of children. The Resolution was agreed to.

Under Order No. 6, Senator Griffith moved the Resolution to lease Herbert House, Fontabelle to World Cup Barbados Inc. for two years at a nominal rent of \$4 400 a year, as a ticketing centre and office space for the Barbados Cricket Association and the World Cup companies; it was agreed to without debate. The Senate was then adjourned sine die.



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