THE

SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 2003 – 2008

THE SENATE

Wednesday, May 25, 2005

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, May 25, 2005 at 11.15 a.m.

PRESENT

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

Senator the Hon. E. R. GRIFFITH, G.C.M., J.P. B.A. (Econ. & Hist.) Dip. Pub. Admin., M.Sc. (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), J.P. (Deputy President)

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

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

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

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

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

Senator I. St. C. LINTON

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

Senator Miss P. E. PARRIS, J.P.

Senator G. P. I. GOODING-EDGHILL

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

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

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

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

Senator Sir Allan FIELDS, KCMG

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

Madam DEPUTY PRESIDENT: The Senate is now in Session.

ANNOUNCEMENTS

Madam DEPUTY PRESIDENT: I wish to make an excuse for the President who would be late owing to having to attend a funeral of a relative.

I also wish to make excuses for absence for Senator Miss S. C. V. Husbands and Senator Sir John Stanley Goddard.

PAPERS

SENATOR THE HON. E. R. GRIFFITH: Madam Deputy President, by command I beg to lay the following Bills:

1. Duties Taxes and Other Payments (Exemption) (FirstCaribbean International Bank Limited) Order, 2005.

2. Annual Report of the National Insurance Board for the year 2003.

3. Annual Report of the Sugar Workers' Provident Fund for the year 2003.

4. Annual Report of the Severance Payment Scheme for the year 2003.

5. Annual Report of the Unemployment Fund for the year 2003.

6. Annual Report of the Labour Department for the year 2000.

7. Report on the Public Enterprise Investment Fund for the year ending March 31, 2004.

8. Report on the Public Investment Fund for the quarter ending December 31, 2004.

9. Duties, Taxes and Other Payments (Exemption) (Newton Business Park Project Company Limited) Order, 2005.

10. Annual Report of Needham's Point Development Incorporation for the year 2003.

11. Annual Report of Needham's Point Holding Limited for the year 2003.

12. Annual Report of the Barbados National Oil Company Limited for the year 2004.

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

SENATOR THE HON. E. R. GRIFFITH: Madam Deputy President, I beg to move that Standing Order No. 45(2) be suspended for the remainder of today's Sitting.

The question was put and resolved in the affirmative without division.

NOTICE OF RESOLUTIONS

SENATOR THE HON. E. R. GRIFFITH: Madam Deputy President, I beg to give notice of the following Resolutions:

1. A Resolution to approve in accordance with Section 5 of the Crown Lands (Vesting and Disposal) Act, Cap. 225 the sale to Armstrong Agencies Limited of a parcel of land situated at Lower Estate in the parish of Saint Michael in this Island.

2. A Resolution to approve in accordance with Section 5 of the Crown Lands (Vesting and Disposal) Act, Cap. 225 the lease to Avisene Caesaretta Carrington of the parcel of land the property of the Crown situated at Erdiston, Pine Hill in the parish of Saint Michael in this Island for the provision of playground facilities for the children of the Merrivale Preparatory School.

FIRST READINGS OF BILLS

Madam Deputy President, I beg to move the first reading of the following Bills:

1. Mortgage Insurance (Amendment) Bill, 2005.

2. The Safety and Health at Work Bill, 2005.

I beg to move that these Bills be read a first time.

The question was put and resolved in the affirmative without division.

OBITUARY SPEECHES

SENATOR THE HON. E. R. GRIFFITH: Madam Deputy President, before we begin with the items on the Agenda, I think that it is only fitting that we should pay our respects to the four Senators who served in this Honourable Chamber for many years and who have passed away in recent times. The four persons to whom I refer are the late Senator Lionel Ward, Senator Hazelene Odessa Gittens, Senator John Yearwood and Senator Mrs. Gertude Eastmond.

Madam Deputy President, I would respectfully suggest that we could make one statement to deal with the four late Senators and then we could proceed.

Madam Deputy President, in the case of the late Senator Lionel Ward, who served in the Chamber for many years, he was born in 1915 and attended the Coleridge School. After leaving school he became an Overseer at Walkes Spring Plantation, St. Thomas. He later moved to Allendale Plantation and then to Mount Wilton where he became Assistant Manager. Eventually, he concluded his life's journey at Staple Grove Plantation where he became Manager in 1943.

The late Senator Ward was a man of varied interest and made a substantial contribution to the development of the agricultural sector in this country. He served as Chairman of Plantations Limited and a Member of the Board of the Barbados National Bank. It was at that institution that I met Senator Ward. For a brief period I was a Member of that Board and a Member of a subcommittee of the Board which dealt with agricultural matters and Senator Ward also served on that subcommittee, so, I had first-hand knowledge of his experience in the agricultural sector and his wisdom on matters relating to that sector.

Madam Deputy President, from my recollection he was always willing and ready to give of his service and to share his thoughts on particular issues that confronted us. He had a distinguished career in agriculture and served his country well from this Honourable Chamber and in other areas.

I therefore, wish to extend my deepest condolences to his family and his close friends.

SENATOR F. J. STUART: Madam Deputy President, I rise to associate myself with the remarks made by the Honourable Leader of the Senate in respect to the late Senator Ward of whom I know very little, but whenever any citizen of Barbados bestirs himself to render public service at the Parliamentary level, the country owes that citizen a gratitude. To the extent that the late Senator Ward made himself available to Barbadians for that kind of service, he qualifies for the gratitude not only for Members of the Senate today but of the country as a whole.

Madam Deputy President, most people tend to underestimate the demands which public life tend to make on those who are involved in it. The fact that the late Senator Ward was prepared to make the sacrifices associated with service in this Chamber is commendable. I, therefore, associate myself with sentiments expressed by the Honourable Leader of the Senate and join him in extending the condolences of the Opposition to the family of the late Senator Ward.

I am obliged to you.

SENATOR Dame PATRICIA SYMMONDS: Like Senator Stuart, I knew the late Senator Ward only vicariously, but my younger brother knew him well and would have served on a Board with him. As some of you may know, my brother was connected with agriculture. I gathered that he became a Director of several companies. I understand that there were about sixteen companies and he became Chairman of several of them and a list of his Directorships would reveal no restriction to agriculture but a range of commercial activity, including tourism.

In fact, he was the leading figure in the building and development of Silver Sands Resort. Although he was born and educated in St. Peter, he became a Christ Church man and he attended St. David's Church for over sixty years. The Church could always rely on his assistance in every project that they were undertaking.
11. 30 a.m.

I am sure that Senator Crichlow would know about that and would be happy about it and Father Watson has told me that he donated a parcel of land for the car park at St. David's Church. This car park also serves as a netball court for St. David's. The team is called, The Jewel and they play competitive netball.

I understand that Lionel Ward was a devout compassionate and benevolent person who helped needy people in a quiet, unobtrusive way. He was always very kind to the workers on his plantation and made them feel worthy. When I hear of some of his deeds, I am reminded of those beautiful lines in Shakespeare,

"How far that little candle throws its beams,
So shines a good deed and a naughty world."

Therefore, to Brian and his other relatives, on my own behalf as well as that of my family, I wish to extend sincere condolences.

SENATOR THE HON. E. R. GRIFFITH: Madam Deputy President, the late Senator Hazelene Odessa Gittens was one of the first women to serve in this Chamber. In fact, it was when the Legislative Council was abandoned and replaced by the Senate in 1964, that she and Cyralene Gale were the first two women to be nominated to this Chamber, so that in that sense she created history in the country.

She was born in 1911 and spent many of her years teaching the subject of Home Economics and related matters, in Barbados and outside of the country. At one time, she held the post of Parliamentary Secretary in the Ministries of Health, Housing, Local Government and Community Development and had special responsibility for the School Meals Service in the Ministry of Education because of her deep background and knowledge in the area of Home Economics.

She was again nominated to the Senate in 1966, and for her distinguished career in her chosen fields of endeavour, she was awarded the British Empire Medal and a British Overseas Medal eventually. She lived to the ripe age of 93, an age that I am sure that all of us in this Chamber would aspire to reaching. After talking with those persons who were close to her, I have discovered that her contribution was outstanding and significant during her entire life.

I wish on my own behalf to extend to her relatives, my deepest condolences and sympathy.

Thank you.

SENATOR F. J. STUART: Madam Deputy President, I rise to associate myself with the sentiments expressed again by Senator Griffith, in respect of the late Senator Hazelene Odessa Gittens who, as was correctly stated was one of two women appointed to this Chamber when it was created in 1964, after the Legislative Council was abolished.

She was a member of the Democratic Labour Party which was then in Government and served as Parliamentary Secretary as was indicated in more than one Ministry. I believe she became very well-known for her exertions in the Ministry of Education, where she frequently addressed Speech Days. In those days, there were very few graduations, but she was a very vigorous individual. She enjoyed Parliament and contributed fearlessly to the deliberations of this Chamber.

If the School Meals Service has matured to what it is today, its maturity owes much to her commitment and dedication to this development. There are many women in Barbados whose lives were changed by her intervention and by her facilitating them with jobs in the Schools Meals Service, relieving them of the back-breaking work in the cane fields and in other areas of agriculture.

The late Senator Gittens was by profession a teacher and the compassion which she manifested in politics, of course, she had before that, manifested in teaching. She taught, not only here in Barbados but outside of Barbados. One Head Teacher who worked with her, Miss Sylvia Watts from the parish of St. Philip, who went to St. Leonard's Girls' School in 1954 as Head Teacher remembers with fondness, the contributions of Odessa Gittens to deliberations at Staff Conferences and to the general *zeitgeist* at St. Leonard's in its very early years.

One very touching story told to me in that regard was the fact that it was she who spotted a young student in the first form, Molly Reid by name, and who determined that her abilities were such as could not be comprehensively and adequately absorbed by the offerings at the St. Leonard's Girls' School at that time and she refused to relax her insistence that intervention is made elsewhere, so that the abilities of young Molly Reid could be more fully utilised.

The story goes that the Principal and a few other concerned teachers who by then I believe would have regarded Odessa Gittens as in the nature of the unfortunate Widow of whom the Bible speaks, decided that in order to get her off their backs, as it were, they would make an intervention with Miss Randall at Queen's College, who, after many diplomatic initiatives, agreed to take in Miss Reid. Miss. Randall, of course, warned that since St. Leonard's did not teach Latin and Latin was a staple on the curriculum at Queen's College that it could be expected confidently that Miss Reid would have a lot of catching up to do in that regard.

Miss Reid went in, of course, at the time of her untimely death just over a year ago, she boasted a degree in Latin and, of course, had gone on to read law and had read law to postgraduate level, and had also become one of Her Majesty's Counsels. She has never forgotten the intervention of the late Odessa Gittens on her behalf, creating that opportunity of which she took full advantage.

Long before the talk about freedom of movement of skilled nationals in the Caribbean, the late Odessa Gittens had been detailed and sent to Grenada by the Ministry of Education here to start their Home Economics Programme in that Caribbean Island. I am aware that programme has survived to this very day thanks to the very solid foundations on which she placed it. She was a very daring and courageous woman who during World War II, offered her services in an auxiliary capacity, cooking for and otherwise looking after those who have been risking their lives in battle. For that, as was indicated by Senator Griffith, she was awarded the British Overseas Medal and other medals as well.
11.40 a.m.

The late Odessa Gittens benefited from university education in Puerto Rico and at Colombia University. For her whole life, certainly post-1964, she remained committed to the cause of the Democratic Labour Party. As a Party, we remember her with gratitude and pray for her unceasing refreshment in paradise.

Madam Deputy President, I did the appreciation at her funeral and one of the first sources which I sought to tap as I researched her was a very famous Barbadian tome entitled "Longer Lasting Than Bronze". She did not make it there in Volume I, but I expect she would make it in Volume II. She made a massive contribution to the public life of Barbados and to the teaching profession and the country fittingly remembers her on this occasion. We in this Chamber are grateful for the foundations which she laid to the early Senate that has made it the very distinguished Chamber it is today.

Therefore, I fully associate myself with the comments made and extend my condolences, as I have done before, to her sorrowing relatives.

I am obliged to you, Madam Deputy President.

Her HONOUR SENATOR Dame PATRICIA SYMMONDS: I knew the late Senator Odessa Gittens very well through a mutual close family friend, who, like her, was a teacher and a great member and supporter of the Democratic Labour Party. Speaking for the writer of "Longer Lasting than Bronze" it had been decided not to include anyone living since it was invidious, and Odessa, having had a long useful life, was still alive at the time that book was written.

Perhaps, I should say here that at the end of the decade of women, Joan Williams who was Director of Women

Affairs and I, who at that time was Chairman of the National Committee on Women, had a service at the St. Michael's Cathedral. I think that it was the Very Reverend Harold Crichlow, now Senator, who mentioned that he had not had such a large gathering of distinguished women in the Cathedral before. In fact, the Cathedral was almost full.

I mentioned this because I remembered "Dessa" because she had more or less retired from public life and because of advancing years she had been almost forgotten and I said: "Oh, we must not forget to invite Senator Gittens." She went and she was very touched and sent a message to thank me for having remembered her and saying how much she enjoyed the service.

She was a good teacher who strongly believes in good speech and the importance of good manners. As has been said before, she specialised in Home Economics and, I would add, she knew her subject well. She possessed strong views and was never afraid to speak her mind. Senator Stuart mentioned her courage in joining the Auxiliary Territorial Service (ATS) and I remember very well the pride and gusto with which she informed her friends that she had been accepted to join the ATS and was off to the United Kingdom.

The same courage which she exhibited in going off to war was shown when she entered politics at a time when few women dared or even showed a desire to do so. She maintained an abiding interest in education. She attended functions at St. Michael's School on a number of occasions and I recall particularly her interest and praise of the performance of a child who recited a West Indian poem. She attended our school's sports once and she even very gently and diplomatically chided me when she thought that I was being a little too strict in controlling the children at the school's sports, I do not know what she would say today. She had a long useful life. She did make an outstanding contribution. She was a role model for women.

On behalf of my family and myself, I wish to express condolences to her relatives. I hope that she would rest tranquilly.

SENATOR THE HON. E. R. GRIFFITH: Madam Deputy President, the late Senator John Berkeley Yearwood was born on August 30, 1924, in the parish of St. Lucy and passed from this life on June 30, 2004.

His introduction to elective politics began in 1961 when he became the junior member for the parish of St. John. At that time, as you know, Madam Deputy President, we had double member constituencies and he served as the junior member between 1961 and 1971, to the senior member, the late Right Excellent Errol Barrow.

During the period 1966 to 1971 he served as Chairman of Committees in the Other Place. It was during the period 1971 to 1976, when the electoral arrangements were changed to single member constituencies that he served in this Chamber. He was Parliamentary Secretary in the Ministry of Housing, Lands, Labour and National Insurance during that time. His entire life was one of service to his country and to his community. He served as a member of a number of boards such as the Sugar Industry Bank, the Transport Board and the Lodge School. He also served as Chairman of the National Assistance Board at one time.

He gave a lot of his time and energy to the development of the cooperative credit movement. In 1958, he became President of the Perseverance Credit Union and he was elected President of the Endeavour Credit Union in 1961. In 1963, he represented the movement at a credit union conference in Germany, so that what we have here is a good example of national and community service.

Until his death he remained a life member of the Commonwealth Parliamentary Association and represented Barbados at a number of the conferences which were held abroad. This has been a good example that our youngsters would do well to emulate and make an effort to serve their country and their respective communities and I trust that many of them would follow it.

On the behalf of my family and that of myself, I wish to extend condolences to his sorrowing relatives and friends.

I thank you.

11.50 a.m.

SENATOR F. J. STUART: Madam Deputy President, John Berkley Yearwood was a distinguished member of the Democratic Labour Party from its earliest years. In the 1961 General Elections, he was one of three grocers who successfully contested in that election and was elected to the House of Assembly. The other two were the venerable the late St. Clair Weekes of St. Philip and the highly respected Mr. Woodroffe Russell Lowe of St. George. These three grocers made unique contributions to the parliamentary life of this island.

Madam Deputy President, what distinguished them, of course, was that they were all very well-read men, who delighted in the precise and elegant use of language, and has always manifested a certain catholicity in their taste. As it were, all knowledge was their oyster, as they tried to take advantage, in their adult lives, of opportunities that had been denied to them, when they were young.

Madam Deputy President, what reunited Senator Yearwood and Mr. Reynold Weekes, was the fact that

during the days of Double Member Constituencies, Senator Yearwood would have been Junior Member for St. John, while the Senior Member was the then Premier of Barbados, who later became Prime Minister, Mr. Errol Barrow. In the case of Mr. Weekes, he was Junior Member for St. Philip, with the Senior Member being the Deputy Premier of Barbados, Mr. Wynter Crawford, until he and the Democratic Labour Party broke away. Sir, these persons contributions to political life had a lot to do with doing the local work in the parish, while the two political titans did the work on the national and regional scenes.

Madam Deputy President, in that regard, therefore, Senator Yearwood became beloved of the people of St. John, whom he had served long before getting into elective politics, he was able, therefore, to command the trust and affection of the people of St. John up to the time of his death. He is still remembered fondly by the parishioners.

Madam Deputy President, as has been indicated, his interests were not limited to politics, he was very interested in the credit union movement and represented Barbados abroad on matters relating to credit unions and, therefore, in a sense, helped to lay the foundations of the movement as solidly as was possible in those times and certainly in a way that now benefits all of us who manifest an almost implicit faith in what credit unions have to offer.

He was an excellent conversationalist and to be in his company, of course, was to have experienced a rare kind of elevation, as he was able to speak on any subject. He also had a very good sense of humour, which became sharpened if he dared, from time to time, as was his wont, to worship at the shrine of Bacchus.

As a parliamentarian, he served in the various capacities, such as Parliament Secretary and from time to time, presided over the deliberations of the Chamber. Madam, whatever he did, he was highly respected by his colleagues, and that is why today I feel proud to stand and to speak about it.

Madam Deputy President, a real test of his loyalty and his character came in 1971, when, as a result of amendments done to the Representation of the People Act, the country was moving from Double Member Constituencies, to Single-Member Constituencies. The decision that had to be made for St. John, since it was only being given one parliamentarian, was whether he would have stayed in St. John and sent Mr. Barrow somewhere else, or the other way around. He graciously stepped aside, so that Mr. Barrow could stay in St. John, and accepted an appointment to this Honourable Chamber after the 1971 general election.

Madam Deputy President, I dare say that we were not similarly lucky in the parish of St. Lucy, with the result that both sitting members had to give way to a much younger member, Mr. Evelyn Greaves, who rendered inestimable service to both this Honourable Chamber and the Other Place, during his career as well. It also brought to what I still regard as that of a highly prematured end to the electoral career of the late James Cameron Tudor, who, as a result of the inability to resolve the issue in relation to St. Lucy at that time, left elective politics at the relatively young age of 53.

Madam Deputy President, John Yearwood showed exemplary maturity in the way he handled that issue and in this Honourable Chamber, served the Party and this country with distinction between 1971 and 1976, when the Democratic Labour Party lost the Government. Even after we lost, he still remained very faithful to the ideals of the Party and maintained a very keen interest in what was going on in Barbados. He was also never reluctant to share his ideas with younger politicians who sought his opinions from time to time.

He was also a very devout family man, beloved by his dear wife and his four children, to whom he showed a massive loyalty in the best and worst times. Therefore, it was quite touching to have sat in the St. John's Parish Church on the occasion of his funeral and to hear his daughter eulogising him in memorable language and with proud calm.

Madam Deputy President, I am, therefore, pleased to associate myself with the sentiments expressed by Senator Griffith and to join him and other Honourable Senators in this Chamber, in extending sincere condolences to the bereaved relatives of the late Senator John Berkeley Yearwood.

I am obliged to you.

Madam DEPUTY PRESIDENT: I did not know Mr. John Yearwood personally, but what I am going to say here, I have learnt from one who knew him fairly well, one from whom I have observed some of these same traits as I read and, of course, from one who had an interest in politics.

I understand that he was a fearless politician and I believe that to be so from what I have read and heard. He was one who expressed his views. I was told that once he declared in the Other Place that enough scholarships were not being given for women and, of course, that is a view for which I would have very much respected him.
12.00 noon

I also learnt that he was very much in favour of trade unions but at the same time if he felt they needed to be put on the straight and narrow path, he would voice an opinion. Interestingly, he supported the Barbados

Cricket League and made suggestions which were helpful to members who played for the league island wide. He was not aversed to giving advice to journalists. Once while praising an article by one of our prominent prestigious journalists, he told him that he must research more carefully before he wrote. On the whole, although he could be critical, he was always very helpful and never played to the Gallery.

It was interesting to note that Senator Stuart mentioned he was a family man. It must be stressed that he was a devoted family man and I am sure his family will be grieved at his passing. I wish to convey my sincere condolences since no man is an island and every man is a part of the main. In paraphrasing John Domme's famous lines, I do not ask for whom the bell tolls.

SENATOR THE HON. E. R. GRIFFITH: Madam Deputy President, the late Senator Gertrude Eastmond was a woman of enormous determination and an outstanding character. In the 1960s, she rose to prominence in this country where she established Gertz Supermarket in Collymore Rock, St. Michael. It was a very successful venture and we all know that the time when she created that business that it was an unusual step for a woman to undertake in this country. She had what it required to see the business grow to be one of the leading supermarket businesses in this country.

She also created history in 1971, when she became the first woman to win a seat on the Democratic Labour Party ticket, when she won the seat for the St. Michael North East constituency. She served as Parliamentary Secretary in the Ministry of Health from 1971 to 1976, and it was during the period 1986 to 1989, when she served as Senator in this Chamber. At the end of her political career, she also served as a member of the Board of the Barbados National Bank which is where I encountered her being a member of the Board myself. During that time, I had the opportunity to see her at work, as it were, and to get an appreciation of her outstanding qualities which made her such a successful person in her chosen endeavour.

Madam Deputy President, all those persons close to her speak about how loving she was and the warmth of her friendship. In fact, only yesterday I met one of her nieces at a funeral. She told me that whenever she met her, she would embrace her and it was so warm that she could feel the sincerity which passed from her.

We need to follow the examples set by her. We know the unfortunate circumstances which she met some years ago but through the grace of God and her determination, she was able to overcome those circumstances as she had also done in other cases and was able to put it behind her. At the time we regretted it, because we knew the type of person she was.

Madam Deputy President, on my behalf and the behalf of my family, I wish to extend to her sorrowing relatives my deepest condolences.

Madam DEPUTY PRESIDENT: Senator Stuart.

SENATOR F. J. STUART: Madam Deputy President, I once again rise to associate myself with the sentiments expressed in respect of the late Senator Gertrude Eastmond, who hailed from the parish of St. Philip and was a member of a very distinguished St. Philip family from the Six Roads/Marchfield area. I knew her by reputation long before I met her in real life as a result of the fact that I grew up in that area and heard her name often.

Madam Deputy. President, it was not until 1971, when she was a member of the team of the Democratic Labour Party in that general election for the constituency of St. Michael North East that I got to know her better and to observe her courage and her determination. The interesting thing about that election was that the turnout in the election was 81 per cent which I believe to be the highest turnout in the last forty years. She contributed her own brand of excitement to that election campaign and she was very popular with crowds as the Party moved around Barbados. I seem to recall that after that election, the late Tom Adams, who had not yet become leader of the Barbados Labour Party, commented that the people turned out in their thousands but voted for the Barbados Labour Party in their hundreds. In that election, the Democratic Labour Party got 18 of the 24 seats all won very convincingly and Senator Eastmond was one of the successful candidates in St. Michael North East against the highly respected and sober member of the Barbados Labour Party, Mr. Gilmore Roachford.

She was appointed a Parliamentary Secretary in the Minister of Health but soon after the general elections, the fuel crisis set in around 1973, and her ingenuity and love of the novel led her during that period, as an energy-saving device, to ride a bicycle to work and she was able to attract the attention of the Press in that gesture and most Barbadians applauded her for leading by example in that regard.

Unfortunately differences arose between her and the Party just prior to the 1976 General Elections. She lost her Seat in 1976 but her affection for the Democratic Labour Party never waned. When the Party came back to office in 1986, not surprisingly, she was appointed to this Honourable Chamber and served with distinction until around 1989/1990 when she resigned from the Party.
12.10 p.m.

Madam Deputy President, the late Senator Gertrude Eastmond, was a highly conscientious woman who was respected across the country. Of her entrepreneurial courage

and genius there was never any doubt, as Senator Griffith made reference to the fact that she was a path setter in the realm of the supermarket activity in Barbados, a woman going out front and opening a supermarket in Barbados. In fact, I think it was that gesture and manifestation of courage, that led the late Errol Barrow to suggest to her that she could deploy her skills not only in the commercial area but in electoral politics and, of course, she graciously obliged.

Madam Deputy President, in the private sector where she functioned, she commanded the respect of leaders in that sector. I believe she rose to leadership positions over the private sector during those early and most vigorous years.

In the face of all her misfortunes, Senator Griffith hinted at a very unfortunate incident which befell her, she remained, as it were, imperturbable. She accepted the fate that dealt her and was able to cleanse herself of any bitterness that would naturally flow from that occurrence. It was eloquent of the strength of her character that she did not allow herself to be overtaken by bitterness and up to the end of her life was as warm and diffusive in her charm, as you would want any human being to be.

Madam Deputy President, we remember the late Senator Eastmond. We thank her for the work she did in various spheres of this nation's public life. She too was very conscious of and committed to her family and could bask in the affection of her children and grandchildren who spoke so glowingly of her during her funeral service. Of course, I would have been less than candid if I did not say that on the occasion of her funeral, she was remembered in a highly memorable eulogy by a very good friend, no less a person than your good self, Madam Deputy President. Madam, she deserved everything that was said about her because she made a good contribution to the public life of Barbados an and exciting contribution to party politics in Barbados.

Madam Deputy President, in terms of the role of women in politics she showed that one could make that step into the unknown because all human progress begins with the courage to take that step into the unknown.

On behalf of the Democratic Labour Party and my Colleague Senator Lowe, I should like to extend condolences to her sorrowing relatives.

I am obliged to you.

Madam DEPUTY PRESIDENT: Gertrude Lilian Eastmond was a close friend of mine. Although our paths diverged over time, that friendship remained firm and lasting. As Senator Stuart indicated most graciously, I was privileged to have been asked to deliver the eulogy at her funeral. Gertz possessed an unforgettable personality. As has been mentioned, she was lovely, warm, sincere and friendly and above all, she had the kindest generosity of spirit. She cracked the glass ceiling and as Senator Stuart pointed out at length, the inroads which she made in politics in breaking down gender barriers.

She was a capable person, physically strong, mentally tough and she was a good parent, who sought the best for her children, spiritually, academically and materially. She possessed some business acumen and opened Gertz Supermarket Inc. thus displaying courage and initiative, which are the stuff that successful men and women are made of.

Although she worked hard, she found time for leisure playing tennis, Bridge and swimming. She displayed an independence of mind when she left the Democratic Labour Party and formed the United People's Party. The rest of her political career has been mentioned by Senator Stuart.

The late Senator Eastmond was very public-spirited and a member of non-governmental organisations. She was a life member of the Barbados National Trust and served on the Tyrol Cot Committee assisting me immensely when I was raising funds for the restoration of Tyrol Cot. She was a Member of the Child Care Board, a life member of the Barbados Family Planning Association, a member of the Horticultural Society, the Museum and Historical Society, President of the Barbados Employers' Confederation, Director of the Barbados National Bank, the Dorcas League and Patron of the Barbados Land Ship. She showed her usual zeal, dynamism and commitment in the St. Michael School Alumni and the Parent Teacher Association.

Again, I can attest to all those qualities when, as Principal, she supported our Parent-Teacher Association in many of our ventures and fund-raising efforts.

I wish to conclude with a verse that I had penned for the conclusion of her eulogy.

"For her, life's race is run,
Earth's toil and worries cease but in
invisible celestial realms, there is endless joy and peace."

I would ask that we stand to observe a minute's silence for all those distinguished Senators who have departed this life recently.

A minute silence was observed.

Madam DEPUTY PRESIDENT: Rest eternal grant unto them.
12.20 p.m.

I wish now to direct the Clerk that the usual Resolution of Condolence be sent to the families of these Senators who have left us recently.

ORDER NO. 2 – THE MORTGAGE PUBLIC BUSINESS
INSURANCE (AMENDMENT) BILL, 2005

SENATOR THE HON. E. R. GRIFFITH: Madam Deputy President, the Bill before us is seeking to amend the Mortgage Insurance Act, Chapter 233, to make provision for an increase in the limit of the total amount of insurance to be undertaken by the Corporation and to place the loan and insurance limits in the Schedule that may be amended by Order.

Section 4 of the Mortgage Insurance Act is being amended in paragraph (b) by deleting the word, "$400 000" and substituting the words, "the amounts specified in the Schedule".

The Act is being amended also by inserting immediately after section 4 the following new sections:

"49 (a). (1) The Minister may by Order amend the Schedule.

(2) An Order made under subsection (4) shall be subject to negative resolution".

Section 11 of the principal Act is being amended by deleting the words, "sum of $250 000 000 or such larger sum as Parliament may approve", and substituting the words, "amounts specified in the Schedule".

The principal Act is being amended by adding the following Schedule:

"1. The maximum loan limit under section 4, shall not exceed $400 000.

2. The aggregate amount of all loans in respect of which insurance policies have been issued under this Act shall not exceed $400 000 000."

These amendments, Madam Deputy President, have become necessary because of the very successful operation of the Barbados Mortgage Finance Company over the years and the phenomenal growth and expansion in its loan portfolio. The limit under the present Act is $250 million, but on the basis of all the trends, the loan portfolio would expand so significantly that in a very short space of time, that limit would be exceeded. It is on the basis of the projected expansion over the next three years that it is being proposed that the limit be moved from $250 million to $400 million, so as to accommodate the increase in the clientele of the Corporation.

The decision to place these provisions in the Schedule will mean that in future, it will be easier for the changes to be made because the Minister is being empowered to make changes in the future by an Order, and there will be no need to continue to amend the Act as we are doing at this moment. Therefore, it will make the operations of the Corporation somewhat easier and more manageable.

Madam Deputy President, I do not think that any of us will have any issues in relation to the need to change the requirements under this Act to facilitate the work which is being executed by the Corporation. All of us know that the Corporation has been a success story and that it has served a very useful purpose by assisting a large number of middle income persons in providing housing accommodation for themselves and their families.

There is also a very important feature about the manner in which it operates that I think we need to commend, which is the requirement that when persons obtain loans from the Corporation, there is a built-in arrangement to take care of insurance coverage. Therefore, what is before us, is coverage of the total amount of loans being made of the portfolio. There is also an arrangement in the operations where insurance coverage is a must and that is paid as part of the monthly mortgage payments.

Therefore, it is not possible through this arrangement for persons to construct houses and then be without insurance coverage, so that if by chance they suffer a tragedy or setback by fire or some other means of damage that they will not be in a situation in which a number of people now find themselves.

We know how easy it is for persons to construct houses, whatever the size and the cost, and then for whatever reason, not to have insurance coverage. When they suffer some lost then the unfortunate situation is before us, of those persons not having any insurance coverage and therefore not being able to recover part of the cost of constructing the new house through that means. This is not possible within this arrangement because it is being taken care of upfront.

With those few remarks, Madam Deputy President, I beg to move that this Bill be read a second time.

Madam DEPUTY PRESIDENT: Senator Dr. Lowe.

Senator Dr. D. S. LOWE: Thank you very much Madam Deputy President. The Mortgage Insurance (Amendment) Bill is before this Chamber for consideration and although the Honourable Minister and Leader of Government Business has implored us that there should not be any great discussion on this particular Bill, Madam, I

think there are a few things that we on This Side would like to perhaps excavate to see whether or not we could broaden the context of understanding relative to the public, so that at the end of the day once the Bill has found its passage in this Chamber, one and all would have the fullest opportunity to understand what is contained therein.

I am sure that we would all agree, Madam Deputy President, that the housing of a nation is the number one priority of any Government and that in recent years, perhaps as long as we all can remember, it has been a keen consideration of successive Governments of this country.

Successive Governments have tried with some great dedication to ensure that Barbadians of all walks of life have the opportunity to gain housing, since it is an important element of human development.

Madam Deputy President, when you study the context of human growth and development, one would know that the whole principle of security is one of the important elements of the advancement of human development and human growth. In that context, security takes into account an individual capacity to find a sense of safety within the station of life they find themselves. Beyond security is the whole matter of shelter.
12.30 p.m.

Madam Deputy President, if there is justification as to why it is necessary for the State to contemplate creating an enabling environment for individuals to achieve housing, it perhaps may be driven by that caution expressed by psychologists and other social and behavioural scientists, that shelter is an essential part of creating the kind of enabling environment where men and women and boys and girls of all walks of life can find themselves as they progress across the lifespan.

Therefore, it seems to me that the attempt to create this enabling environment that this Bill seeks to perpetuate is worthy, especially because as conscientious Barbadians we would want to ensure that not only those persons who can afford to borrow upwards to $400 000 but that persons who are now beginning to make their imprint on the sands of progress that they also have the same level of enablement where they can afford to assess this kind of economic environment. So we see security and shelter as two of the driving forces that can justify the passage of this particular Bill.

Madam Deputy President, family stability is another area. We do know that part of the stability of any family is to be able to find housing, or to go back to the word we used earlier, shelter. Some of us may be quite familiar, others may not be, that when a family has to move from location to location and the life state of that family is constantly disrupted, because there is no central place to call home, that can cause a lot of turbulence in families and depravation within those same families. Therefore, we would want to believe that once the environment is created that families can see a road where they can achieve that level of stability through housing solutions created by the State.

Madam. Deputy President, all of us find great fulfilment in the ability or the capacity to be able to own our own homes. Some of us do not own our homes, other of us do, and those who do, understand the debt of self-fulfilment when they walk into their own home or, as we would say in other places, into their own ‘crib’ and turn the key that is yours. Even though one may be financing a mortgage or what the case might be, the fact that the home can be called your own is a great signal towards self-fulfilment and actualisation. As a matter of fact, some of the same social scientists note that along the continuum of human development, the pursuit of self-actualisation is not only contained in academic and economic pursuits but perhaps most important when one finds that level of stability and own their home or the capacity to own their home.

Madam Deputy President, when we talk about security, self-fulfilment or self-actualisation we talk about family stability. We on This Side have to talk about the whole notion of self-determination. Madam Deputy President, what we are seeking to do is to show that there is deep validity in the pursuit of creating an economic environment where men and women can find access that is affordable to own their home because one of the great creeds of our founding leader is the whole concept of self-determination, not simply bound up in a political journey but as it is, precipitated by the opportunities for individuals to maximise their life chances and become functioning adults in a society.

Therefore, we would want to believe that this Mortgage Insurance (Amendment) Bill, is not simply about creating an economic situation or a financing situation but that it has specific import to the whole area of creating the best possible journey or the best possible path for individuals to find that degree of fulfilment, security, stability and empowerment that would be necessary.

This Bill also focuses on creating what I called a financial enabling environment. Madam Deputy President, the truth of the matter is that there are many persons out there in the society, who may never be able to access or to borrow at the extent of the ceiling of this particular provision. Therefore, it is my hope that the Barbados Mortgage Finance Company Limited, does not create for itself an ambition which targets persons who are able to borrow at the maximum level, while at the same time neglecting one of the hallmarks of its existence which is to create that access for persons

who are now seeking to accelerate their economic state and their life chances up the ladder in terms of home ownership, and leave them behind in pursuit of creating a new borrowing culture that would attract persons who are able to afford to borrow at that level.

Madam Deputy President, I am not suggesting that is the intention. What I am suggesting is that while we pursue higher and more lofty ambitions within the context of borrowing that the most vulnerable of the society must be kept as the benchmark for which that particular entity exist. Madam Deputy President, enablement is to create conditions where individuals can have easy access, and that access is available and is affordable where persons at all levels of economic wealth or economic growth can be able to access information and services and the like.

In my view, Madam Deputy President, this financial enabling environment seeks to make borrowing available. Madam Deputy President, there are different schools of thought about the availability of being able to borrow 100 per cent mortgages. My simple view is that if a man or a woman could get maximum financing for a mortgage that saves them the struggle of having to pinch as they go forward, then that is not bad, but is an opportunity for persons to be able to alleviate some of the other struggles and focus on repackaging themselves financially to pay for their loans.

Madam Deputy President, I believe that it is critical that we allow individuals who are straddling the fence that has a demarcation between economic extinction or insignificance and economic progress... It is necessary for the State to put in place enablement mechanisms that allow persons to be able to chart their growth in terms of employment pursuits and at the same time let that growth lead to a position where they can own their home. It is of critical importance that every Barbadian, as he or she dreams of his or her life in this country, sees the possibility of homownership as real and as reachable as possible. So we must make borrowing available, but we must also make repayment affordable.
12.40 p.m.

Madam Deputy President, there are too many Barbadians, who, in pursuit of this higher level of social existence, find themselves borrowing because it is easily available, but who then find the repayment of that loan to be a challenge far beyond and far outreaching their efforts, for them to be able to satisfy their own economic and housing needs.

Madam Deputy President, I speak of a number of young people who I know, who have been able to maximise the State's opportunities that are provided to them to get housing. The truth is that many of them are working in environments where the take-home pay of $300 per week is highly desirable but in many cases, not reachable.

Madam Deputy President, even if they are able to reach that level, we find that by the time they have itemised their costs, such as the repayment of loans, utilities, feeding their children, *et cetera*, that it becomes almost impossible for them to continue the arrangement, as it then becomes a 'mad' dash to satisfy those economic requirements, given the realities of their economic circumstances.

Madam Deputy President, what we are saying is that while we make borrowing at this level more accessible and available, we have to ensure that there is a deep level of affordability because when one borrows, one must repay. Madame, as we look at this particular Bill, what I am hoping is that the mortgage finance institution does not lose sight of the importance of creating an environment, where everyone who is in pursuit of that kind of goal, which is so credible and so important, that the environment does not change where those persons would find it difficult to compete within the same kind of framework in which they would have before competed.

Madam Deputy President, in order for that to happen, we not only have to look at availability, affordability and accessibility, we also have to look at the removal of the administrative barriers that some borrowers go through, in order to get what they need.

Madam Deputy President, the stories are plenteous of persons who have been invited to borrow, who have gone to access that borrowing opportunity, where these persons are met with a number of administrative loops that they have to go through. These administrative loops can, in some cases, be important checks or maybe just an inherent antagonism on the part of individuals, who are at a point of struggle, who seek to alleviate their struggles by accessing what the State has made available to them.

Madam Deputy President, it may not be the fault of the political system but if Government is saying that they are going to enable people with financial assistance through borrowing, then it seems to me that it is very important that Government enables people to access that borrowing opportunity. Madame, this involves any number of players, from the gate-keepers of the system, what is requested in terms of paper work, the turning around, the legal situation with the legal fees and with title deeds, *et cetera*.

Madam Deputy President, I have spoken to someone last night, who knew this debate was going to be part of today's discussion, who told me that he had gone to a commercial bank and had purchased a lot. When the transaction was completed, he was told that he could have occupied that lot. Instead what he has recently learned is that the lot has a lien on it. Sir, here is an average and poor Barbadian who became excited that he had been able to

reach that social benchmark, where he now owns a piece of property but instead, the property now sits there and cannot be occupied.

Madam Deputy President, I am saying that a person who must struggle through life to reach a stage...and there are some first home owners who have only reached that stage in their 50s, who have struggled along for many years, by working and toiling to be able to reach that level, now suddenly their life cycle is being accelerated because of the struggles that they must go through, to be able to access this kind of opportunity.

Madam Deputy President, the State must be applauded for creating an environment where this kind of service can be offered to Barbadians but the State must go a step further and ensure that no unnecessary challenges are put in the way that may discourage persons from pursuing what is a right in this country, and that is to own one's home. Therefore, we have to manage these areas.

Madam Deputy President, when we look at this Bill, there is really no need to antagonise the Government on why it is creating this kind of opportunity. There is no need for us to antagonise the Bill itself, to render it as weak and perhaps unnecessary and non-essential but what there is, in my view, is that we have to continue to ensure that when we buy a bicycle for a man, that we have to ensure that man can ride, and if he cannot ride, that we must teach him how to ride. The point that I am seeking to make is that we must put him in an environment where having been taught to ride, does not now cost him his life.

Madam Deputy President, we would advise the Government that it continues to ensure that when opportunities like these are created, that all of the necessary administrative and financial checks are done, to ensure that persons who are so deserving of the opportunities to own a home, can get the kind of support as they journey across that battlefield, in terms of getting the money from the mortgage company into their hands and from their hands to the contractors, and from the contractors to the builders.

Madam Deputy President, with those few words, I submit that this is a Bill that is worthy, and one which we hope can continue to expand the home ownership base of Barbados at all levels of the socioeconomic stratum. I thank you.

SENATOR I. St. C. LINTON: Madam Deputy President, it is really interesting to be in this Honourable Chamber to hear the presentation of Senator Lowe. It behoves all of us today, to have a look at home ownership in a particular way.

Madam Deputy President, the one thing to which I want to speak today with regards to home ownership, is that of the cost of legal fees. Madam, in recent times, I have had to deal with situations like this with my children and with others. Recently I had to deal with a matter concerning one of my relatives, in which she was purchasing a piece of land from her father. This was to be a simple matter of transfer of estate, with her father being the first owner of that land and she being the succeeding one.

Madam Deputy President, the cost of legal fees on both sides for a piece of land of just over 7 000 square feet was almost $5 000.
12.50 p.m.

The legal cost was almost $5 000 on her side and $5 000 on the side of the vendor. If we want to assist persons in Barbados, there must be a simple method of transfer of titles, less costly than what they presently cost.

I had the experience in one case of which a banking institution offered to do the search for the vendor and the purchaser. Madam, this should never happen. In my own experience, when Bank Hall was opened up from a plantation for landownership for housing, my grandfather mortgaged a lot. At that time, the mortgage for that land was $250.00. He died before it was paid, my grandmother paid the balance of the mortgage and myself and wife are now the owners of that lot. If a search is to be done for title to that land today, the first person after Barnes and Company would be John Thompson, then Cecilia Thompson and then Esme and Ivan Linton.

Madam Deputy President, I have clear title to that land so why should I not be able to take my document through a lawyer to an institution if I wanted to sell the land, even though I would not, and pay a simple fee for transfer rather than having to pay a percentage as the vendor. There are systems in England that you obtain simple transfer. I know in some instances the lawyer may have encumbrances so there would be a search to see if there are any liens on the land or property so I would understand further compensation for the lawyer.

Madam Deputy President, for a simple transfer where there is clear title, you should not have to pay $5 000 on both sides to get title. Madam, it is time that this matter of transfer of property be put under a new system so there is a standard fee. If the lawyer has to do a further search, then further cost could be paid but to pay even a further 5 per cent, could add another $5 000 to the cost of the mortgage or the purchasing of a property.

Madam Deputy President, it is time for us as a Government to look into this matter as soon as possible with

the rising cost of land and property, ways must be sought, like the simple transfer I have mentioned here today, so that persons can have a better opportunity to own a property.

Madam Deputy President, I want to speak about home ownership and occupancy of properties in the area of rental properties. I will give a striking example. Water rates have just gone up but they have also come down particularly for persons renting small houses but the landlords of those properties are slapping on $50, $75 and $100 with the claim that water rates have gone up even though in some cases water has not gone up for that person because landlords paid for the water on the premises. Madam Deputy President, even though landlords may not have to pay one cent more or might pay less, they are charging as much as $100 more in rent.

Madam Deputy President, I am simply saying that it is time that a Rent Board be set up in Barbados. It is time that properties rented be standardised in a way in which the person renting the property should have at least the minimum standard and be able to pay rent according to that standard.

Madam Deputy President, there is no law in Barbados in 2005 that can tell a property owner how much to rent his property for regardless of the condition of that property. Madam, poor people are being taken advantage of because some of the places which are put up for rent are rotten, would take renovation and in some cases, they need to be demolished yet persons have to pay exorbitant rents.

Madam Deputy President, I am simply calling on this piece of legislation that a Rent Board be established in Barbados, that other standards are established that the various properties should meet, that the owners of these properties must abide by those standards. If we really want to help Barbadians with places to rent or to own their homes, it is time that we look at making more reasonable opportunities for people to obtain mortgages at a lesser cost, particularly on legal fees and on the question of renting properties.

Madam Deputy President, you should only be able to rent a property which meets a particular standard so that the person who lives in that house has a minimum standard set up by an authority. I am asking that this Honourable Senate and calling on Government to look at these two particular areas in regards to home ownership and rental of properties. There must be a greater look at costs in this regard these days.

Madam Deputy President, we must look at ownership of houses and mortgages as was said by Senator Lowe. I tell young people there is an opportunity to obtain a 100 per cent mortgage.
1.00 p.m.

Madam Deputy President, sometimes the rents people pay are more than that of a 100 per cent mortgage. That is why I am asking for flexible legal fees in the transfer of titles and that a Board be established to look at rents in Barbados.

The cost of living is outstripping wages; we can no longer keep it up. I believe that the time has come for the establishment of a high-powered committee to look at this matter. If wages are not compatible with price increases, your standard of living will fall. Therefore, we have to look at ways to address this situation.

Madam Deputy President, why should a big conglomerate importing goods and wholesaling to retailers compete with those same persons? We must be wary of this practice as it relates to the cost of living. Ways must be found to reduce cost of house rent and even building equipment. We cannot afford to chase cost with wages because we will never catch up with it.

Madam Deputy President, we must look at legal fees in the areas of simple transfer of titles, the setting up of a Rent Board, with standardised rents so that persons would have better accommodation.

I support this Resolution and hope that the authorities would look at the two areas which I mentioned today.

I thank you.

SUSPENSION

SENATOR THE HON. E. R. GRIFFITH: Madam Deputy President, I beg to move that this Sitting be suspended until 2.05 p.m.

The question that the Sitting be now suspended until 2.05 p.m. was put to the Senate and agreed to, and Madam DEPUTY PRESIDENT suspended the Sitting accordingly.
1.04 p.m.

RESUMPTION

Mr. PRESIDENT: This Sitting is resumed. Senator Barker.

SENATOR T. E. BARKER: Mr. President, I rise to lend my support to this important amendment to the Mortgage Insurance Act, which would among other things make provision for increasing the limit of a total amount of insurance to be undertaken by the Corporation. The

Amendment would also seek to place the loan and insurance limits in a Schedule that would be amended by Order, rather than in the Bill itself. The institutions for which this Bill is designed, the Barbados Mortgage Finance Company Limited, is an important lending institution as far as house ownership goes because it is the largest single entity that deals with mortgages.

Sir, at the end of 2003, over $1.1 billion in mortgages were extended to the people of Barbados. Out of that $1.1 billion, 15 per cent was lent by the Barbados Mortgage Finance Company Limited, so in terms of a single institution, that would be the largest. The banks held $461 million in mortgages but of course this would be spread among the number of banks they are operating.

The Barbados Mortgage Finance Company Limited is traditionally the market for loans to the low income group, that is why over the years successive governments put a limit on the amount of money they could lend to any one individual.

Sir, in short, this institution is not for the more affluent in our society, who are going to buy a house for $600 000, a million dollars or thereabout. However, at the same time we have to recognise that the cost of real estate, for lots of reasons, has gone up significantly in the past few years, which mean that even the house which the middle income person is buying now exceeds the $250 000 limit that was placed on the Barbados Mortgage Finance Company Limited, the last time, we did an amendment in this very Chamber. I cannot remember when it was, but I remember when we raised the limit to $250 000 a few years back.

Sir, events have overtaken that limit and in order to satisfy that segment of the market that the Barbados Mortgage Finance Company Limited has always catered to, we are here now seeking to increase the limit to $400 000. However, this does not mean that every loan that the institution would make would be at $400 000. It must see it as a maximum not a minimum.

Sir, we hear a lot of comments about the fact that this $400 000 limit is out of the reach of a lot of people, that is true. Sir, the majority of people in Barbados cannot afford a house of that magnitude, but this does not mean that the Barbados Mortgage Finance Company Limited can only lend $400 000 mortgages. Anybody who thinks so would be misunderstanding the facts. Persons who seek to borrow $50 000 or $100 000 can still find the Barbados Mortgage Finance Company Limited to be an important institution. I am sure that all of us would agree that it should remain as an institution which, while accommodating some of the middle income persons, still has a mandate to ensure that the needs of the lower income group are properly satisfied.

Sir, we all know that there was a time when the low income group could not access the banks for mortgages and the Barbados Mortgage Finance Company Limited came to their rescue, so it is important that we understand the context of this amendment, seek to understand what it is seeking to do and why it is necessary to raise the limit. Raising the limit does not mean that they are catering to a different class of persons, what it means is that they have taken account of the reality that real estate prices have gone up significantly over the past few years, and hence the reason for this adjustment. Sir, there will come a time, I would hardly be here, when another Senate would have to raise this limit again.

Sir, while we are talking about mortgages and mortgages insurance, I want to highlight a few things which I think is of importance to the whole debate. We recognise that housing is one of the basic needs of an individual. Some people say it is the most important, I think it is the second most important. To me the most important would have to be food, because food comes first. Nevertheless, we rate shelter to be way up there in the scheme of things.

Sir, traditionally or historically, Barbados is a society where people like to own their homes. Sir, I looked at the 2000 Census and it tells me that there are 83 000 dwellings in Barbados and of this 83 000 almost 62 000, that is 75 per cent, are owner occupied. That is a very significant percentage. It says a lot about the history of the people. In some country people like to rent. In Barbados, people like to own their homes, and long may it remain so.

Therefore, I believe that Government has to put in place the environment which would allow persons of whatever means to satisfy this basic need. A government that does that must get the acclaim of the population. A government that put in place measures which would allow even a higher percentage of Barbadians to own their home is a government that I would support. Sir, that is why I support this present Barbados Labour Party Government because in its ten years in office it has done remarkable things to ensure that Barbadians of all walks of life are able to satisfy the need for something to put over their heads so that when night comes they have somewhere to sleep.

This Government has made tremendous steps in this regard. This Government took the initiative not only to reduce interest rates but to cause interest rates to be reduced. We hear banks advertising six per cent mortgages and so on. In my view, this is a direct result of the fact that this Government undertook a few years back to have the National Housing Corporation set the tone by having six per cent mortgages and the other banks fall in line with the impressive lead of the Government.

Sir, it would help us to understand what the reduction of interest rates means to a person. A person having a mortgage of $100 000, which is not a big mortgage in today's scheme of things would, at nine per cent be repaying $839.20 per month, while at six per cent would be paying $644.30 a decrease of almost $200, so by making interest rates more attractive, Government has caused a householder to get the same value house at $200 per month less. That is a significant saving to people of all walks of life and that is why I will continue to support this Government. Therefore, we are glad that this Government took the initiative to get interest rates down.

Sir, between 1986 and 1994, we had the opposite happening. During that period interest rates on mortgages went to as high as 11 per cent, that is a matter of historical record.
2.20 p.m.

Mr. President, we felt that at those high rates, that people would not be able to satisfy their basic needs or to own their own homes, that is why we have made those important steps. Sir, we have made those important steps because of economic fundamentals, to make sure that we are masters of our own destiny. Therefore, that $200 savings on a $100 000 mortgage is extremely significant, as it now brings high-quality housing within the reach of ordinary people.

Mr. President, on the other hand, let us not forget that the alternative to owning one's home is that of renting, and we all know how high rents are in Barbados. Therefore, instead of someone renting a house for $600 monthly but who, instead can be encouraged to have a $600 monthly mortgage, we would be encouraging that person to move from being a rentor to that of being an owner, which is what we all want for our people.

Mr. President, let us look at some figures for a person who wants to access a loan for a $100 000 property, whose repayment is $644 monthly. Sir, if that person borrows $90 000, he would be repaying a fee of $579 per month, as opposed to $644 per month. If that person has to borrow the $10 000 deposit, assuming that there were no 100 per cent mortgage, he or she might now have to go for a short-term loan by repaying $200 per month. Therefore, if negotiating the small loan, that person would have to repay $200 per month, plus the $579. Therefore, why should that person not be allowed to borrow the $100 000 and repay about $70 more per month.

It would allow that person to stop from renting earlier but instead would allow him to pay that money towards owning his home and, therefore, would be able to pay his mortgage, while having access to the home allowance.

Mr. President, all of us who owns a piece of the rock, know how we felt when we first received our title deeds and can now, therefore, appreciate what that really means. Therefore, by effecting a change in interest rates, Government has ensured that more Barbadians of all walks of life, are now able to have the same feeling that we all would have felt, when we first got our piece of real estate.

Mr. President, in 1991, in their lack of wisdom, the last Government removed an important concession that was given in 1986, which was to have given homeowners unlimited home allowance for renovation, *et cetera*. Sir, that was wrong and inappropriate for the circumstances which the country was facing.

Sir, since coming to power in 1994, one of our first acts was to ensure that homeowners who had to pay high mortgages, who were struggling with the high cost of repairs, *et cetera*, were ensured that the income tax provisions were changed, so that the home allowance, which was an important part of the householder's income and expenditure account, would have come back into place. Home allowance now stands at $6 000 and within a year or two, should go to $10 000.

Mr. President, we recognise that affordable housing will not come easily unless Government has a major stake in the whole scheme of things. Sir, with home allowance now being $6 000, this means that persons in the 40 per cent incremental bracket, would be getting about $4 000 a year, once that homeowner spends money in terms of interest payments, insurance payments or house repairs. We all know that once one owns a house, that repairs or maintenance would have to be done to that house.

Mr. President, Government is saying that in spite of certain financial implications, it is going to ensure that the State encourages and enables persons to realise their ambitions of owning and maintaining their properties. Therefore, we feel that home allowance is something of importance and that is why we have reintroduced it and as our circumstances allow, would be increasing it.

Mr. President, this, therefore, means that the ambitious person who originally was paying rent of $l 000 monthly, can now go to the Barbados Mortgage Finance Company and show his monthly commitments, in order to access funds, to be able to own his home. Sir, home allowance is something for which this Government must be highly commended.

Mr. President, the issue of 100 per cent mortgage was raised by the Opposition spokesman and we have had much comments for and against this measure. Sir, in the past, people had to struggle in order to meet that 5 per cent or 10 per cent down payment. They sometimes would have had to borrow that money from a friend. Sir, let us not forget that

most people in that category were having children and would, therefore, have had to contend with raising a family and with high rents, while at the same time, were being asked to save money in order to meet that deposit. The result was that not only was that individual repaying a mortgage but was also repaying the money that was borrowed.

Mr. President, I have heard arguments from the Other Side saying: "Well, the fellow ain't got much in the house, so he is not going to pay back". Sir, to me that does not appreciate the psyche of Barbadians, when it comes to home ownership. Sir, one of the things that people do, is to pay their mortgages because they do not want the embarrassment or the financial loss, which can result from not paying their mortgages. Sir, I do not think that is a reasonable objection to the $100 000 mortgage and I feel that the banks should be encouraged to do more of this.
2.30 p.m.

Sir, it allows the householders, especially the ones now starting out in life with a young family, the chance to consolidate all his loans. They are now paying one loan which they can service and take advantage of the home allowances which Government has so humanely put in place.

Mr. President, I do not fully appreciate the argument against 100 per cent mortgages. I think banks should go a bit further in helping young persons to own their properties. It is socially desirable and would ease a lot of tension in the society. Sir, the banks have to be more proactive even though some of them are offering the 100 per cent mortgages.

Sir, I think they should ignore the comments of the misguided, and keep on doing what they are doing so that Barbadian of all walks can realise their cherish ambitions, to own the property in which they live. I am all for 100 per cent mortgages and for anything which would allow young persons to get affordable housing and have access to funds to do so.

Sir, mention was made of the high cost of legal and other fees. The bank has a commitment fee but I cannot appreciate the argument for charging a commitment fee. I think it is wrong and, in my view, it is a bad thing. Sir, one bank made over $40 million and another made $30 million in profit but for a $50 000, you must pay many fees. I believe that in order to increase their status and stature within society, they should be doing more and abolish these commitment fees in order to allow Barbadians to own their properties.

Sir, my good friend is looking at me and I am sure that he agrees it is an unnecessary imposition on working people and something that should be looked at by the banks. We know that the banks are oligarchy so they can get together when they are setting prices and policy and take a collective decision that, in treating to the enterprising spirit of Barbadians, they would allow them to own his house by removing some of these unnecessary fees.

Sir, the householder has to pay the real estate fees, legal fees for himself, legal fees for the bank, commitment fees, negotiation fees and all sorts of fees. Sir, this is wrong because there are unnecessary hurdles. They are only increasing the profit line of the bank by frustrating the desires of Barbadians to own their homes.

Mr. President, mention was made of the fact that in England people buy and sell land without the use of legal personnel. We are moving toward having Land Registry and the time has come for us to follow the mother country and buy and sell land without legal personnel.

Asides.

SENATOR T. E. BARKER: Sir, we need to examine it so that we can reduce this high cost because the house may cost $100 000 but the houseowner ends up paying $130 000 when all these fees are added on. This is something that should be looked at, especially if we seek to reduce the number of persons in Barbados who are still renting. The information says that there are 18 000 householders renting and I feel this is a high number. We need to find ways of getting this figure down. The legal and banking fraternity needs to look at these high extra costs and see what they can do to reduce the cost.

Mr. President, I believe that in order to help people more, there should be more land available for housing. Sir, we have this belief about agricultural land and I appreciate that we need to be better able to feed ourselves but I do not really believe that being able to feed and house ourselves are mutually exclusive activities. When you look around the country and see the amount of idle land, it is neither in housing, agricultural or any other productive use. We can put 1 000 acres of that land on the market for housing and it might have the desirable effect of reducing the high cost of real estate because the high cost of land in this country is the deterrent to people owing their homes. The high cost of land is a direct result of the fact that it is not available hence, according to economic relationships, there is scarcity of land and, therefore, there is an increase in price.

Mr. PRESIDENT: Senator Barker, your time is about to expire. Could you wind up in the next minute please?

SENATOR T. E. BARKER: Yes, Sir. We need to make more land available because people just want a piece of land to buy at a proper price in order to realise their ambitions but the land is not available. We also have to

look at the fact that at the last count there were 1 800 derelict houses in the urban sector. We cannot afford to have land not in productive use. There is a lot of land in developed areas but the owners cannot be found and the land is growing nothing but bush and vermin and people are hungry for land.

Mr. President, I do not believe that land is something you should speculate on but it should be used. People buy land but do not use it and in order to satisfy the housing ambitions we have to take land from somebody else. I think we need to look at this as a society and make more land available in order for people to realise their ambitions.

Sir, I support this Bill with all my vigour and commend it to this Honourable Chamber because it is worthy of our support. I am obliged to you, Sir.
2.40 p.m.

Mr. PRESIDENT: Senator Nicholls.

SENATOR G. P. B. NICHOLLS: I rise to speak on the Mortgage Insurance (Amendment) Bill, 2005, which is before this Honourable Senate. The Barbados Mortgage Finance Company is one of the success stories with respect to Government's ability to deliver on the reasonable demands of our people as we advance, in respect of providing housing and shelter for themselves. The fact is that this Bill can give that institution the flexibility to respond to a number of demands that have been placed on it in the marketplace. Mr. President, despite the wrangling about Government's divestment of interest in the Barbados National Bank, the Government still has the ability to control policy in relation to these institutions, and that policy, by virtue of Government's own shareholding in the institution, can effectively make certain insertions in the marketplace.

Sir, the 100 per cent mortgage market for the last 10 years has been basically the result of the Barbados Mortgage Finance Company. In times of excess liquidity in the banking system, we have found that commercial banks in Barbados have followed the lead set by the Barbados Mortgage Finance Company and they are now offering the Barbados public 100 per cent mortgages. That is indeed a wonderful thing.

Sir, this Government, in its wisdom, has decided that it is better for the Barbados Mortgage Finance Company to be able to compete in that market, by making an adjustment to the provision to give the Minister of Finance flexibility, after making an assessment of what the Corporation can deliver. It could make that change in relation to the insurance rate by way of an Order of the Minister rather than having to come to Parliament every time the Barbados Mortgage Finance Company finds itself in a situation, when there are changes of rates of its competitors.

It is indeed a sensible measure that the Government could bring this piece of legislation before us today to give them the kind of flexibility that every time the market makes a change, this Parliament is not required to make an amendment to a piece of legislation. It is very forward thinking.

I listened to most of the comments made by Honourable Senators in relation to the housing and mortgage situation in this country. We know that Barbados is a country that historians have quite accurately argued, to my mind, that has the unkindest cut. In fact, many years ago, Professor Hall singled out Barbados in an essay which he wrote, "Flight From the Estate Reconsidered", in which the historians of a previous era spoke of the concept of slaves, who got their freedom after Emancipation, left all of the estates and went into the urban areas in the Caribbean and, therefore, got into commercial activity. They were able to buy land, *et cetera*.

Sir, when we look at the example of Barbados, land has always been a very scarce economic resource. If we go back to the submissions made to the Moyne Commission by the British Guyana and the Labour Congress, led by none other than the Right Excellent Sir Grantley Adams, one of the recommendations was the acquisition of more land, not only for housing but for commercial and economic activity. That has been the pursuit of every Barbadian and I daresay that every Government has, in its own way, tried to give effect to the very foundational principles of the acquisition of property as a means of improving the social and economic circumstances of people. There is no debate or divide in relation to the exercise.

Sir, it is interesting that the current demand for housing is taking place when our people's per capita income is continuing to increase because of an education system that allows more people to climb the social and economic ladder in this country. More people are making demands upon a very scarce resource so that they can own a property and raise their families.

Many years ago, people lived with their parents and grandparents for many years. Parents raised their children in these homes. These practices are slowly changing in our society as people advance and the nuclear family replaces the extended family, as the more dominant family-type accommodation in terms of social relationships among people,

Mr. President, I am happy that the Government, as a partner in this exercise, can give any institution this type of flexibility. One of the things that we must look at is measures to give the Barbados Mortgage Finance Company, the capacity to offer 100 per cent mortgages at higher rates to persons who are in the upper and lower middle income categories, who are saying that they can

afford to pay a mortgage and they qualify for a mortgage, but because of their circumstances they have not been able to raise a deposit because they had other commitments over the last few years. Sir, Senator Barker was correct when he made that statement.

Mr. President, I can tell you that people of my genre might have the responsibility of paying back a student loan or car loan when they first returned from studying and the opportunity to save a deposit for a piece of land may be lost. Sir, the 100 per cent mortgages will qualify those persons who are earning above the normal rates that the Corporation had previously been dispensing loans, at that institution. They can access loans at favourable interest rates.

The Barbados Mortgage Finance Company is providing for couples who can qualify on their joint salaries, and even single persons, for 100 per cent mortgages. It is important that the Government, though making these changes, can determine the movement in the marketplace.

Sir, Senator Barker was correct when he spoke about the monopolistic nature of the banking institutions in Barbados. Sir, in recent times the banking institutions in Barbados did not have a North Atlantic face. Traditionally, in times of excess liquidity, the banking system had not been able to lend money to the advantage of a wide cross-section of people because their interest rates have been low, when excess liquidity exists. Sir, it is also true that when liquidity is not so tight, the interest rates on deposits have been sticking upwards. They do not rise as they ought to in times of tight liquidity.

Mr. President, the relationship between the commercial banks in this country is one that begs some examination. We have seen, as a result of recent merges and acquisitions of commercial banks, in 2004, for the first time aggressive competition in the mortgage market. We are happy as a Government to allow an institution like the Barbados Mortgage Finance Company to be run by an institutional partner who has vast resources and expertise, in dealing with financial transactions in other countries, to help us to bring a different flavour to the mortgage market in this country. However, we retain a sufficient shareholding that ensures the appropriate impact on the policy of the entire system. That is a very important role and the Government will continue to monitor it from time to time.

2.50 p.m.

Mr. President, I want to quickly make a point in relation to this whole concept of the cost of doing a conveyancing transaction in this country. Sir, as a practising Attorney-at-Law, I and a lot of my colleagues are sometimes the victims of a lot of misinformation.

I know that Senator Stuart always says that Barbados has the good fortune of having the most Attorneys-at-Law per capita than any other country in the world. We have probably about 5 000 or 6 000 Attorneys who practise their trade on the call-in the programmes every day in this country.

Asides.

SENATOR G. P. B. NICHOLLS: These are now the exponents of this misinformation because clients come to me and say that I want to buy a house. I am getting a mortgage and I want to know what is the fee. When you quote them the legal fee, they are shocked to see that it is so low because they come with the presumption that the fee is going to be excessive.

There are certain things that we have to address in this country and Senator Barker touched on some of them. I do not believe that there should be a situation where financial institutions with all of the vast resources that they have, should ask a borrower to pay the institution's legal fee on a transaction.

Sir, clients would come to you and say that I negotiated a loan with the bank. I have to pay the bank's legal fee, can you give me an ease on yours? The bank hires a lawyer who does all the work for the bank and makes all the requests to protect the bank's interest. The client does not have any choice as to whom the bank employs. The client does not even have a say as to the fee that the bank's Attorney-at-Law charges, but they would ask you on the very first occasion that they see you, Sir, to give them a reduction on your fee.

Sir, you have the responsibility to them to ensure that the piece of land, property or house that they are purchasing conforms to the stipulations within the agreement for sale. You have to make sure that the land is not encumbered. There are no judgments in the name of the owner or previous owners or there are no judgments standing to the credit of the Barbados Water Authority or any of the other statutory corporations which have the ability to put charges on land. You also have to make sure that the boundaries conform to things that are described in the plan and a whole set of things.

Sir, you discharge these responsibilities to your client. The bank's lawyers require you to show that you have discharged those responsibilities, so that the bank's financial outlay is protected when the property is charged, and the client is asking you to cut your fee. They do not mind paying the bank because they have to get the money from the bank in order to buy the land but they want an ease on our fees.

Sir, that is unfortunate and as an Attorney-at-Law and an officer of the other court, I think it would be remiss of me, if I were not to say to this Honourable Chamber, Sir, and by extension through you, the rest of Barbados that it is high time that we start to educate ourselves about the transactions relating to land.

I agree, Sir, that the process of the Registration of Title in this country, will bring great efficiency to the transactions of the sale of land. The Registration of Title in the Land Registration Act has shown that a person who buys a piece of land, can go to the Land Registry, look at the register of the particular parcel of land and see what is *in situ* in relation to that piece of land. They can demand a certificate from the Registrar of Title which would have the relevant endorsements on the back as to what is contained in that parcel of land.

On the basis of that certificate, Sir, you can take it to the bank or any institution that you are making a transaction with, and you can get a sale of land without any discomfort. We live in a country, Sir, that have had unregistered conveyancing for the 300 or 400 odd years that we have been a civilised society.

When you have a system of unrecorded conveyancing, you depend on searching through deeds. A chain of title must be established, Sir, under the Property Act for the 20 years, from the time that you entered into the transaction to purchase the land.

This means that people who sell in this country are obligated by law to satisfy you as a purchaser that they can show what is called a good route and a good marketable title to you. Sir, there are some situations that we encounter from time to time where a grandmother says she gave John Brown a piece of land in 1974. John Brown has lived on the land since 1974 because his grandmother gave him. John Brown has given the land to his daughter in 1985. The daughter has come to you and say that she wants to sell the land.

Sir, you are working for that somebody but there is no title deed at all, but these people have faithfully paid all the land tax from 1940. The land has passed through the family. A young couple comes to you and say that they want to buy this land because it has a nice view of the sea and they like where it is located, and they know the people in the family very well. Sir, you tell them that they cannot buy the land because the title is not sufficient.

These are the responsibilities of the Attorneys-at-Law. The real estate agent who charges 5 per cent on top of the transaction, has no legal responsibility to ensure that the title is marketable. All he has to do is to set up a sale. He receives a telephone call, Sir, somebody wants to sell a piece of land. He would list it among my properties, call the newspaper, and make an addition to my list. He gets calls and receive offers. He takes people to go and look at the land. He does not even point out the line marks because that is the responsibility of the person who is selling.

Sir, I want to ask the 'fireside' lawyers on the call-in programmes what is the legal cost in a real estate transaction in this country. It seldom comes to 2 per cent and 3 per cent. Sir, you hear this thing about lawyers' cost but a real estate agent has the luxury of sitting in his office, taking a call from a prospective vendor and then a call from a prospective purchaser. He might not get the land sold or it might take a long time for him to sell it, but he has no responsibility to ensure that the person who is purchasing that land gets lands with a good marketable title. That responsibility rests on the Attorney-at-Law.

SENATOR I. St. C. LINTON: Mr. President, I want to raise a point of elucidation because Senator Nicholls is raising the point about persons on Call-in Programmes.

The position is this that I made this morning. I am questioning why should a person have to pay two lawyers, the bank's lawyer and their lawyer on the same matter of transfer of title, and that is the point I raised. Why should this be today in 2005?

Mr. PRESIDENT: Senator Nicholls, please continue.

SENATOR G. P. B. NICHOLLS: Mr. President, I believe that it is time for us to do a little more research in relation to what is going on because we hear all the time that the cost of land is rising and the legal costs are too high.

Sir, a number of my colleagues and I have discussed the fact that we do not resist the fact that there may come a time when lawyers are not involved in real estate transactions at all and the 'fireside' lawyers can do all of the real estate transactions but we know that it would not end there. There would come a time when the fireside lawyers are selling land that they cannot guarantee the sanctity of that title and that is when lawyers in Barbados would get more work. I would leave that alone.

We have to appreciate and stop devaluing the effort that a lot of good people in this country do to ensure that people get homes over their heads, and this thing about bashing lawyers every time that people get the opportunity to talk about the cost of land.

3.00 p.m.

Sir, the Government in its wisdom in order to maintain the social services in this country charges a property transfer tax of 7.5 per cent. The Government has reduced it from 10 per cent to 7.5 per cent because people have been crying out that the 10 per cent might unnecessary inflate the cost of the transaction.

Sir, the stamp duty is now one per cent. In order for the land to be sold the vendor must satisfy the Land Registry that the land taxes for the next financial year or up to the end of the financial year are paid. For example, if you are selling property today, May 25th, 2005 you have to satisfy the Land Registry that your land taxes are paid up to March 31, 2006. Sir, if the land tax bills come out in October you have to go to the Land Tax Department, request the bill and pay the taxes up to March 31, 2006. These are things that an ordinary purchaser might not appreciate when they sit in the comfort of a bank and hear those words that they love, your loan has been approved.

Sir, what invariably happens is that the bank, in lending that money to people, says, that you are buying land from John Brown, this is what I am going to do, I am going to lend you $150 000 to buy this land but I am going to take out the deductions for a negotiation fee, for commitment fee, for legal cost, which you have to pay, and the property transfer tax and the stamp duties, which are to be paid by the vendor. The bank takes out all of that money upfront. Sir, what the vendor does is to charge you for the property less the taxes that the vendor has to pay. So when you get the $123 000 out of the $150 000 in your hand and you arrange to buy the land at $165 000, there is a difference between $123 000 and $165 000, the ordinary purchaser who has not done any research at all before they went and agree to buy the land comes to the lawyer's office and say they want you to ease them on the legal fees because they need to meet the shortfall. I hear Senator Stuart saying that it sounds very familiar.

These are the realities of practising conveyancing law in Barbados. Sir, I cannot attest that I am any big conveyancer but I encounter some of those problems and I hear my colleagues speak about them on a daily basis. Sir, there is an inaccurate perception fuelled, as I said, by a lot of misinformation about the high cost of real estate transactions. Sir, the only person who gets the blame is the person with the biggest liability in the transaction. The real estate agent cannot be sued if the land is 4 000 square feet less than the vendor said it was. The real estate agent does not have to point out the boundaries. The real estate agent cannot look at a plan or at line marks and see if your neighbour's guard wall has encroached on your property, these are the liabilities of the attorney-at-law.

However, all of a sudden now we are going to hear in this country that lawyers are charging too much money in a situation where the fees are prescribed by law. Lawyers cannot charge more than the minimum fee unless the matter is of the nature, quality and kind that demand the work to be put in by a lawyer that would raise the fee from its minimum. People invariably know this. The banks tell them what the legal fees would be at minimum when they go to their office. Sir, I suppose that the same God that imbued all of us with sense, wisdom and understanding did not imbue us with the ability to use them at all times, so we accept that is the lot, but I do believe that in this situation we must seek to get some information.

Sir, I also believe that it is about time that in the same way people are now planning for their education in the future or their children's education that we as a nation of people have to start planning for our homes and the property that we would want our children to acquire from an earlier age.

Sir, the Governor of the Central Bank has been speaking quite recently about the use of disposable income by Barbadian people. The movement in relationship to the interest rates in the saving accounts has been kind of an incentive that has been employed by this Government to encourage people to save more. Sir, I would encourage all Barbadians who are earning or who are having for this year the opportunity not to pay as much income tax because they have been taken off the tax roll or because of the fact that the threshold rate has been reduced, to put aside some money every month toward the acquisition of some property for their children or grandchildren rather than filling up the fast food restaurants in this country every weekend treating the children and giving them a lot of food that is making them unfit and unhealthy and creating more chronic health problems for us down the road.

They can put aside $20 on an account every week or invest it in one of the very well-run mutual funds in this country or the Property Investment Fund for their children and grandchildren. They will get the immediate benefits of a tax saving and all the other associated benefits thereto.

Sir, there has to be a sensible discussion about the ability of our people to acquire property. It has to be the voice of emotion. It has to have a good command of the factual reality that we live in. Sir, we cannot advance as a people if we continue to look at our neighbours and scoff at their achievements because all of us come from a situation in which our grandparents would have wanted us to enjoy what little material success we enjoy today. It is the lot of a man to want his children and grandchildren to be better off than he was.

Sir, I think that a sober reflection of the situation in respect of the mortgage environment and the acquisition of property would help us as policymakers to find what is the

real route of the problem and to find the tangible solutions, rather than trying to attach blame to another section of people in our community because when we do that we get nowhere. You blame the lawyers, the lawyers blame the banks and the banks blame the credit unions. We have that kind of situation where the banks are saying that the credit unions are operating like banks and they are crowding them out of the market and everybody is blaming one another. It is the same very people in the society that we live in who are benefiting from the transaction, that is how the cycle goes. Sir, we would not advance our cause if we continue to wave blame in a situation where reason would do better.

Sir, with those few words I lend my support to the good work of this Barbados Labour Party in creating a situation where the corporate institutions that lend money are now competing aggressively for ordinary Barbadians to come and borrow money.

Sir, the one point that I forgot to mention was the ability to create a secondary mortgage market in this country. This is vitally important because there are a number of people with title to land who would require that they own particular house be improved. Those houses in West Terrace, Wanstead, Husbands and the other areas across Barbados that 20 or 30 years ago people used to call slave huts are now very beautifully and tastefully designed homes. If we are thinking about a holistic housing policy, we also need to think about those persons who may have acquired a home in the past because that is what they could have afforded and create an opportunity for them to improve their own lot. I think that with sensible tinkering of the legislation that the Barbados Mortgage Finance Company Limited is well-poised to enter a secondary mortgage market.

I commend the Government for bringing this legislation, and with those few words I am obliged to you.
3.10 p.m.

SENATOR. R. W. GRANT: Mr. President, I rise in support of this Bill to amend the Mortgage Insurance Act, Cap. 233. Sir, I too would wish to support the concept of a secondary mortgage market. I believe that in the existing environment where, due to financial circumstances, home owners are forced to take out second mortgages, that this mortgage market would prove to be beneficial to those home owners.

Mr. President, a few months ago, I met a middle-aged man who had bought a piece of land. He paid the l0 per cent deposit as was required; he sought to get the loan from a commercial institution; he paid the legal fees, both his attorney-at-law and the attorney-at-law of the financial institution, along with commitment fees, stamp duties, among other fees. Within a two-months period, that man made a determination that he would seek a mortgage, and again he had to pay legal fees, both his, as well as that of the commercial bank, along with all other fees and stamp duties. That person is, at this time, also contemplating seeking additional financing from the financial institution. He will now have to have his documents stamped, he will again have to pay legal fees, both to his attorney-at-law, as well as to the bank's attorney-at-law.

Mr. President, I made reference to that because I believe that we must be very concerned that fairness exists. My grandmother has always spoken to me about a fair day's pay for a fair day's work. Sir, I think that the time has come where an assessment has to be made in relation to the level of legal fees. I believe that it is extremely important that a person purchasing land or property, must obtain the services of an attorney-at-law, to guide them through the process and to look after their welfare, but I do have some concerns when the purchaser not only has to pay his legal fees but that of the financial institution. Sir, in my view, that does not reflect fairness.

Mr. President, there are many Barbadians who have struggled or who are struggling to own their homes. We, as Barbadians, pride ourselves in the ability to own our homes. Sir, when I first started to work, I remember my grandmother encouraging me to put some money aside, to make sure that one day I can own my home. Sir, that was told to me at a time when it was challenging in terms of the perspective of all the necessities of life, from the perspectives of individuals wishing to ensure that they continually enhance their standard of living.

Mr. President, I believe that we have to ensure that there is fairness as it relates to fees with respect to land and property transactions. Sir, I am told that the Judicial Council, which is made up of judges, magistrates and representatives of the Bar, have set these fees and I simply would wish to make the call that there would be a review of this matter, to ensure that, at the end of the day, perspective home owners are not burdened by excessive fees.

Mr. President, this Barbados Labour Party Government has done well in relation to enhancing the housing sector in Barbados. That is so because more Barbadians have the financial capabilities, I believe, to own their home, and that is due in part to the fact that, as a Government, not only with respect to specific housing policies but we have sought to create the economic environment whereby the level of unemployment has been vigorously gone after. I am told that the latest statistics is that for the first quarter of this year unemployment is at 9.9 per cent.

Mr. President, I made that point because there is strong correlation between the level of employment and the owning of properties. Sir, there is a more fundamental point I wish to make with respect to mortgage insurance because as far as I am aware, when one goes to a financial institution to get a mortgage, one is required to have life insurance coverage to be able to access that mortgage, which, I believe, is builders or property insurance coverage.

Mr. President, at a time when one no longer sees employment as employment for life, as there will be periods when individuals will be moving from one job to another, there may be times when persons are ill and cannot work, or there may be times when persons may become unemployed. Therefore, I believe it may be necessary for insurance companies to start looking at a form of mortgage protection and mortgage replacement cover. Sir, as the economy becomes more sophisticated, we too have to ensure that we create the type of protective measures that will ensure that persons making such a substantial investment, utilising a significant portion of their income, do not find themselves having to face the reality of losing their homes because of being unemployed or for some reason that their mortgage may be in arrears.

Mr. President, with these few remarks, I am extremely happy to give my support to this Bill before this Honourable Chamber. I am obliged to you.
3.20 p.m.

Mr. PRESIDENT: Senator Stuart.

SENATOR F. J. STUART: Mr. President, I want to make a brief intervention in this debate. I should, of course, like to begin by congratulating my colleague, Senator Lowe, for the very lucid and precise intervention which he made in this debate. I would not want to say anything that would amount to subtracting from the vitalising influence of the things which he said.

Mr. President, he too mentioned the issue of legal cost which was an issue repeated by Senator Linton and dealt with exhaustively and competently by Senator Nicholls. I want to make a few comments on that because there is a heresy making a steady advance across Barbados that there is some link between the ability of people to own houses and the fees that lawyers charge.

I want to begin by saying that lawyer-bashing is a pastime of respectable antiquity that goes back many years. If one goes to the gospel according to St. Luke one can find our Lord himself pronouncing woes on lawyers who placed burdens on people, grievous to be borne, and would not lift a finger to relieve those persons. Sir, that is respectable antiquity.

Mr. President, William Shakespeare in his play, Henry IV, Part 2 put it in the mouth of one of the **Jack Caide** writer to posit as a solution, let us begin by killing all the lawyers. John Gay in a good dramatic piece called **"V" Opera,** some time in the Eighteenth Century, put it in the mouth of one of the characters to caution, your wife might steal your rest, a thief your goods and plate but if a lawyer's hand is feed, he steals your whole estate.

Mr. President, if memory serves me well, I believe that Patron Saint of Advocates in Europe is St. Ives who studied law and as most of us do, devoted his entire legal practice to assisting the poor. He subsequently became an ecclesiastical judge and built a might reputation for himself. I seem to recall that he lived in the Thirteenth Century and was born in Britain. Sir, people were so taken back by the fact that a lawyer could be deploying his skills day after day in service of poor people that annually a mass used to be celebrated in Latin in Britain. Sir, a highly poetic piece of Latin used to be recited as part of the mass.

Mr. President, it went like this:

"Advocatus *et cetera* non latro, res miranda populo".

Sir, if I may preserve the poetry with an English translation, it means that an occurrence that always occasions disbelief is stumbling on a lawyer who is not a thief. This was the extent the well-meaningness of St. Ives, the Patron Saint of Advocates was distrusted.

Mr. President, our own Right Excellent Barrow, never let slip an opportunity when he was alive and in his heyday to attack lawyers. In fact, he used to delight in invoking Plato as having written on one occasion that lawyers should be crowned with laurels and shipped out of the state. When one hears the vilification of lawyers nowadays, it is nothing new. Sir, a crisis has developed in the housing market, especially the low-income housing market and necessarily, the appropriate scapegoats are once again lawyers.

Mr. President, the fees lawyers charge for property transactions are governed by legislation. In 1975, there was an Attorneys-at-Law Remuneration for Non-contentious Business Rules which were updated in 1983 by the

Attorneys-at-Law Remuneration for Non-contentious Business Rules of that year and in 1997 there were made more current by another statutory instrument the Legal Profession Attorneys-at-Law Remuneration for Non-contentitious Business Rules for 1997. Sir, these Rules established a minimum below which lawyers working in property transactions should not go. They establish a flooring but not a ceiling but invariably if you are going to move beyond the flooring you have to justify in terms of time spent and the complexity of the issues, *et cetera*.

Mr. President, after 21 years of experience in the legal profession, I can bear witness that, generally speaking, lawyers have stuck to the minimum on the scale and have rendered high quality of service to their clients in this regard.

Mr. President, one of the problems we have in Barbados so far as land transactions are concerned was averted by Senator Nicholls. We still have a system of unregistered conveyances which require that exhaustive searches be done to ensure that a good and marketable title is being got from a vendor of land.

Sir, persons who have lived in England over a long number of years and who have been involved in property transactions there.... return from jurisdictions that have a registered system of conveyancing and assume that we are some backward set of people because our property transactions take a little too long, presumably we do not know what we are doing. Frequently, I have to remind them that the English system of which they boast and hold up as the best example available for us to follow, did not start like that.

3.30 p.m.

Sir, there was a time when the English system was precisely like ours with the same shortcomings of which they now complain. In fact, we got the system from the English. They brought it and imposed it here, left it here and we are now trying, at great expense, because law reform is an expensive and gruelling exercise, to modernise our legislation and to facilitate people who are involved in property transactions.

Sir, Oliver Cromwell, was once quoted by Justice McGary, the author of one of the leading text books in property law, as describing the English law of real property as a torturous and ungodly jungle. Sir, for us in Barbados it is still a lot of that.

Sir, Senator Nicholls referred to the difficulties we have in even establishing titles. Last year in the Economic and Financial Policy Statement of the Government the Prime Minister made an announcement that legislation was going to be brought to Parliament soon to speed up and modernise the title pursuit procedure, which at present can take sometimes two or three years. A lot of the delays have nothing to do with any default on the part of the lawyer but other kinks in the system over which he has no control.

Mr. President, we have been moving steadily towards some kind of registered system. I believe that we introduced registration in the second half of the 1980, then we had to suspend it for a while because it appeared that we started before we were really ready. We have returned and are trying our best to regularise all of this, but it takes time. Therefore, we have a hybrid system of part registration and part unregistered conveyancing.

The criticisms that come our way are not always justified, but then, the criticisms are based on an almost complete lack of understanding of the kind of work involve. There can scarcely be a lawyer around who does property work who would not have had the experience of having to deal with shoddy work done by some previous lawyer who was involved in doing searches, etc. because invariably clients are running you down to get the work finished quickly because they do not know what is involved.

Sir, as Senator Nicholls said, you have to go back at least twenty years to establish a good route of title but there are certain circumstances in which you have to go back beyond that. All of this takes time, and questions asked have to be answered and these are the complications that arise. The more troublesome the title, the more time the lawyer has to spend on it and that is bound to be reflected in cost but everything he is doing is designed to protect the interest of his client now and in the future because when that client comes to sell that land or to obtain a mortgage, he wants to be able to do so, as quickly as possible without any difficulty.

Mr. President, when you look at legal fees and compare them with an architect, real estate fees or the fees charged by dentists or doctors, you wonder sometimes what it is that people quarrel about.

Recently, I was approached by a very poor citizen of Barbados asking me if I could lend that citizen $30 000 to get an angioplastic procedure done here in Barbados. When I spoke to a number of people in Barbados who are involved in cardiology, they were horrified that anybody could be charging these fees. I have a matter to go to court on the same issue but if a lawyer is to call the figure of $30 000 to anybody, the police would be called for him or he might, rather than have the police being called for him, he might

have the people of Psychiatric Hospital called for him because it would be thought that he is mad.

Sir, these are the challenges which we face. In all of this, the highly valuable contribution which is made by the legal professionals in this society is overlooked. There are no easy ways out of all of this.

Mr. President, the nature of property law is such that the complexities make it very critical for the lawyer to exercise as much diligence as possible and the whole issue can become very time consuming. The urgency felt by the client is one thing but if the lawyer responds to that sense of urgency and at some time in the future some thing goes wrong, that client will forget that he or she was running the lawyer down and will basically say that they employed a lawyer to do a job and he did not do it properly, and you have to face the consequences.

Sir, I want to make the point that if somebody is interested in buying property and is getting a 100 per cent mortgage, for argument sake that 100 per cent mortgage is $100 000, it is highly improbable that the lawyer's fee can amount to 2 per cent of that figure. The scale does not permit that. If that lawyer is working, not only as buyer but as borrower for the client, he is entitled to charge the whole buyer's fee but only half of the borrower's fee. Although he is wearing two separate hats, he can only charge half of the fee attributable to a lawyer working for a borrower, although he is entitled to charge the full fee of a lawyer working for a buyer.

Mr. President, there have built in most of the, mitigating hardships felt by people who are buying property and who are borrowing money to facilitate those purchases.

The issue has been raised if an institution is wealthy enough to lend a man $200 000 on a 100 per cent mortgage, why should that man have to pay the lender's lawyers as well. It is my view that if a man is desperate enough that he needs a 100 per cent mortgage, then the legal fees payable to the lender's lawyer should be factored into the sum being lent, at no inconvenience upfront to the man or woman who is borrowing.
3.40 p.m.

The problem comes when borrowers are told that they have to put this money in upfront and very often, they do not have it but they see the property they want and want to proceed in that way. Of course, they would always be arguments as to whether or not 100 per cent mortgages are the best thing, and there are those who feel that the borrower should put in something as a matter of pride.

Sir, when the School Meals Service was introduced in Barbados, I remember hearing arguments on the Democratic Labour Party platforms from the then Premier, later to become Prime Minister, that ten cents was being charged to school children because they should not feel that they were getting the lunch free. They should feel that they were putting something into it, Sir.

Mr. President, that kind of thinking prevails also in relation to 100 per cent mortgages. I do not feel very strongly one way or the other on that matter. It is a matter of taste and how people feel but I just want to say that it is really not true that the scale of legal fees are any impediment to people being able to own property in Barbados.

The scale of fees is a public document. Any citizen can look at the scale and determine what his or her legal fees are going to be, even before the transaction starts. As I said, very few lawyers are made to go above the flooring because you only do that if unusual complexities arise and you are forced to put in more time than would ordinarily be the case.

I do not believe that anything I said here today is going to change the view of those who believe that the reason why some people do not have a house is that they cannot afford the legal fees. This is not going to change that view but I think the record has to be put straight and I am very glad that Senator Nicholls in his contribution sought to clarify some of the issues. I just felt that I would reinforce what he said by making the point that what we were hearing was really nothing new but that this condemnation of lawyers, for whatever reason, goes back many years and, as I said, it is a pastime of respectable antiquity.

I am obliged to you, Sir.

Mr. PRESIDENT: Thank you, Senator Stuart.

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

The question was put to the Senate and agreed to.

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

COMMITTEE

Madam CHAIRMAN: The Senate is now in Committee.

Clauses 1, 2, 3, 4 and 5 were called and passed.

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

On the separate motions of SENATOR THE HON. E. R. GRIFFITH, the Bill was read a third time and passed and cited as the Mortgage Insurance(Amendment) Act, 2005.

ADJOURNMENT

SENATOR THE HON. E. R. GRIFFITH: Mr. President, I beg to move that the Senate be now adjourned until Wednesday, 1st June, 2005 at 11.00 a.m.

The question that the Senate be now adjourned until Wednesday, 1st June, 2005 at 11.00 a.m. was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.

3.50 p.m.

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5. Annual Report of the Unemployment Fund for the year 2003.

6. Annual Report of the Labour Department for the year 2000.

7. Report on the Public Enterprise Investment Fund for the year ending March 31, 2004.

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10. Annual Report of Needham's Point Development Incorporation for the year 2003.

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