
THE SENATE DEBATES

(UNOFFICIAL REPORT)

PARLIAMENT 2003 – 2008

THE SENATE

Wednesday, February 28, 2007

The Senate met in the Senate Chamber, Parliament

Buildings, on Wednesday, February 28, 2007 at 11.00 a.m.

PRESENT

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

Her Hon. Sen. Dame Patricia SYMMONDS, D.B.E.,
GCM, BA(Hons.) (PG CE), J.P. (Deputy President)

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

Senator the Hon. Miss L.V. EASTMOND, LL.B.,
(Hons.) LL.M.

(Minister of Commerce, Consumer Affairs and
Business Development)

Senator T.E. BARKER, B.A.(Hons.), M.A.(Econ.),
J.P.

(Parliamentary Secretary in the Ministry of Finance
and Economic Affairs)

Senator R.W. GRANT, B.A.(Econ.), G.Dip.M.A.

(Parliamentary Secretary in the Ministry of Tourism
and International Transport)

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

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

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

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

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

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

Senator R.O. MARVILLE, B.A.(Hons.),
M.A.African Studies, M.B.A.

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

Senator I. St.C. LINTON

Senator G.P.I. GOODING-EDGHILL

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

Senator A.A. BYNOE

Prayers were led by Reverend Errington Massiah.

Mr. PRESIDENT: The Senate is in session.

PAPERS

Senator the Hon. E.R. GRIFFITH: Mr. President, by
command, I lay the following documents:

1. Annual Report of the Enterprise Growth Fund Limited for the year, 2005.
2. National Strategic Plan of Barbados, 2006 to 2025.

SUSPENSION OF STANDING ORDERS

Senator the Hon. E.R. GRIFFITH: Mr. President, I
beg to move that Standing Orders 22(1) and 45(2) be
suspended for the remainder of this Sitting.

The question was put to the Senate and agreed to.

INTRODUCTION OF BILLS

Senator the Hon. E.R. GRIFFITH: Mr. President, I
beg to move the First Reading of the following:

1. The Police (Amendment) Bill, 2007.
2. The Security Assistance (CARICOM Member States) Bill, 2007.
3. The Visiting Police Forces (ICC Cricket World Cup) Bill, 2007.
4. The Catastrophe Fund Bill, 2007.

5. The Income Tax (Amendment) Bill, 2007.
6. The International Business (Miscellaneous Provision) Bill, 2007.

The question was put to the Senate and agreed to.

PUBLIC BUSINESS

Mr. PRESIDENT: Public Business is the Order of the Day.

Senator the Hon. E.R. GRIFFITH: Mr. President, before we proceed with public business, I would like to inform the Senate that the Accountant-General would be coming to bring Hon. Members of the Senate up to date on the progress, which has been made with the project dealing with the change of the Government's Accounting System, from a cash based to an accrual system.

The intention is to have this system in effect from the 1st April, 2007, which is the beginning of the new financial year. We thought it fitting and proper that before the appropriate piece of legislation comes to the Senate, we should take the opportunity to allow the Account General to brief Senators, on what is involved, so that they will be familiar with the subject when it comes up for discussion next week.

Senate 63, sequence 02, 11:20:15

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SENATOR the Hon. E. R. GRIFFITH: Mr. President, the briefing from the Accountant-General will take place during lunch. What we propose to do is to extend our lunch period by half of an hour. The Accountant-General would be here about 1.40 p.m., assuming that we go to lunch at 1.00 p.m., and we will have the briefing session in the Committee Room.

I thank you.

ORDER No. 2

CATASTROPHE FUND BILL, 2007

SENATOR the Hon. E. R. GRIFFITH: Mr. President, the Bill before us came out of the Statement made by the Minister of Finance in January 2006, when he presented his Financial and Economic Statement to the Parliament and to the public.

Mr. President, the Bill is seeking to provide insurance coverage, as it were, for the most vulnerable group in our society. Mr. President, if you look at the Bill, you would notice that it is aimed at those persons who now fall below the income tax threshold, that is, those persons

who earn less than \$22 500 per annum and therefore do not pay any income tax.

The Bill also indicates the type of house that is to be covered. Mr. President, you would notice that it says that the house must not be valued more than \$125 000 and that it should be approximately 75 per cent wood. Mr. President, the idea being is that group is considered to be the most vulnerable group in the society.

Mr. President, statistics show that there are about 33 000 houses in the country which are made of wood or wood and stone, and that about 25 per cent of those 33 000 houses are insured. Mr. President, those 33 000 houses are part of a larger number of houses in the country, some 83 000 occupied dwellings. Mr. President, emphasis here is on occupied, because it is intended that any benefit from this Catastrophe Fund be restricted to persons who are owners and occupying the premises involved.

Mr. President, there has been quite a bit of discussion, which I imagine would continue, about why only chattel houses when it is known that there are houses of stone that are valued less than \$125 000. Mr. President, one has to remember that the objective here is to provide some coverage to those who are the most vulnerable in the society.

Mr. President, there has been some discussion also about what happens in the case of a person who is earning \$22 501 per annum. The truth about it, Mr. President, is that wherever you draw the line, you are going to have a situation like that, that persons who are just above the line are not covered. Sir, it does not matter where you draw the line, what you have to do, and that is what the Government has done here, is to try to draw the line at a reasonable point. Mr. President, it is considered that the \$22 500 per annum is a reasonable point since that is the point at which people below it do not pay income tax.

Mr. President, the \$125 000 valuation is chosen on the basis that as part of the Government's policy on taxation aimed at bringing relief to the most vulnerable in the society that the first \$125 000 is exempt from land tax, so that is how the \$125 000 came into the picture, and is consistent with Government's overall tax policy.

Mr. President, this proposed scheme does not in any way intend to prevent people from having their own insurance policy if they so chose, and it would be wise if they do that. Mr. President, considering that since the valuation used in the Bill is \$125 000 or less, it is unlikely that if a catastrophe affects them that they would necessarily get \$125 000 because the decision to make a grant available would be based on an assessment of the property at the point in time and therefore they may or may not get the \$125 000 and the restoration of the property

may call for more than that. Therefore, while this is in an effort to help cover those persons who are most vulnerable and who are unlikely to be able to have the type of insurance that would be necessary to cover them, considering the cost of building and so on, it is not intended to displace private insurance policies.

Mr. President, according to the information set out in the Schedule to the Bill, it is intended that the fund be administered by the Director of National Insurance and that there be a committee set up to manage and to deal with the applications from persons who are affected. The Schedule says that the Catastrophe Fund Claims Committee shall consist of six persons namely the Supervisor of Insurance, the Director of National Insurance, the Chief Fire Officer and the Accountant-General, who are all *ex officio* members, and two other persons who shall be appointed by the minister by instrument in writing. It then sets out the other conditions under which these persons are expected to function.

Mr. President, I have heard some comments from others about whether these are the persons who should be responsible for managing the fund and so on. Sir, unlike them, I do not have that problem. They apparently belong to the group of persons who believe that all public servants are foolish people. Mr. President, I would have to tell them that in my life I have met foolish people from all walks of life. I have met foolish people in the public service and in the private sector in Barbados and abroad. Wherever I have turned, I have met foolish people and I have also met sensible people. Therefore, I do not believe that there is any monopoly of foolishness in the public service.

I believe that there are competent persons in the public service and I would not join with anybody to say otherwise. People might have encountered problems with public servants, but very often they do not tell you what are the circumstances that led to the problems, but they then damn everybody as being of a certain character. I do not have that difficulty. I believe that there are competent people in the public service who can manage the affairs of the country. Mr. President, I would never agree with anybody who would say less than that.

Senate 63 Sequence 3

11.30 a.m.

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Senator the Hon. E. R. GRIFFITH: Mr. President, over the years, the public servants of this country have made a significant contribution to the development of this country. Therefore, if we did not have competent persons, over the year, I do not see how our development would

have reached the stage at which it is, in spite of the competence of other persons involved.

Mr. President, it is important to go back to the Bill. Clause 2 sets out the meaning of a catastrophe. At the present moment, people can have access to insurance policies, usually to cover fires. They would have to make further arrangements, in terms of accessing other coverage but coverage is there to be had. Sir, a catastrophe is defined as:

(a) a fire; (b) an earthquake; (c) a storm;

(d) a hurricane; (e) a flood; (f) a storm or sea surge; (g) lightning; (h) or any other catastrophe caused by the forces of nature.

It, therefore, has a wide coverage and the intention is that in the event that a chattel house, which is valued at no more than \$125 000, is damaged by any one of these catastrophies, with the income level of the individual being \$22 500 or less, this Fund is intended to cover those persons.

Mr. President, the Government is going to put into the Fund, as shown at Clause 3(2)

(a) "an annual contribution with effect from financial year 2006/2007, of \$2.5 million voted by Parliament, for the purposes of the Fund for a period of no more than five years."

Sir, Clause 3.2(b) sets out the way that this Fund will be financed. The Fund will be financed by all employed persons, including self-employed persons, who are expected to contribute 0.1 per cent of all earnings paid into the National Insurance Fund. As you know, the maximum earning level is \$32 000 per month and persons can calculate to see that 0.1 per cent of that equals \$3.20, which is not a very significant contribution, in order to help those persons in the community, at the lower level, who are the persons we are setting out to help, the most vulnerable persons in the group.

Mr. President, that vulnerable group, as long as they are employed, will have to make their contributions. Therefore, it is not that they are not to make any contributions but we recognise that persons at the bottom will, of course, make a smaller contribution in percentage terms but in the certain circumstances of the particular individual, as was the case of the widow's mite, it might be a significant contribution, nevertheless. The Widow's Mite might have been small, in the scheme of things, especially when compared to that of the rich man but it was a very significant sacrifice for that widow. In fact, that is why, in the end, it received more commendation than that of the rich man who had contributed out of his abundance.

Mr. President, therefore, it is expected that these persons, who we are setting out to help, have to make a contribution towards the Fund, from which they expect to benefit, and in my view, it is a step in the right direction. It deserves our support because we need to have in place, from time to time, various mechanisms to help the most needy in our midst, to cover themselves from whatever eventuality might overtake them.

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

Senator FREUNDEL J. STUART: Mr. President, I do not think that any enlightened Opposition Party would want to find fault with a piece of legislation such as this, which is aimed at making the lives of people at the lower rungs of the social and economic ladder more tolerable and more abundant.

The background to this Bill though, it seems to me, has to do with the fact that after a number of serious hurricanes in this region, over the last decade, the States of CARICOM petitioned the World Bank and had requested its intervention, with the view to establishing some kind of fund, namely a Catastrophe Fund, to provide some kind of shield for countries in this region against the ravages that can be caused, and have been caused by nature, in this region, from time to time. In fact, only recently, the World Bank launched that Fund and secured the participation of all of the countries in the CARICOM region.

Mr. President, therefore, conceptually, this Bill applying as it does at the municipal level, does not differ from what has come out of the World Bank, which will be applied at both the national and regional levels. Sir, the rationale for the Bill, of course, is that in Barbados, we have had problems with catastrophes, and I suppose the most prevalent catastrophes, with which we have had to deal on this issue, have been house fires, storms, hurricane, and to a lesser extent, floodings. In this regard, what happened is that when the poor sections of the community have been affected by these catastrophes, it has been discovered, sadly, that their homes have not been insured.

I know the Chief Fire Officer has, in recent times, raised his voice on this question. In fact, he has not been the only person to have done so, as others have, importuning members of the public to insure their properties, so that in the event of destruction by any kind of catastrophe, particularly house fires, which have been our most serious problem in recent times, persons would not be left financially defenceless.

Mr. President, the recognition of this problem dates back some years. In the 1994 Barbados Labour Party Manifesto, at page 27, I seem to recall, the Barbados Labour Party committed itself to introducing a scheme of

compulsory home insurance, limiting the role of the Government only to protection of the aged and the infirm. Sir, 13 years later, the Government has not got around to introducing that home compulsory insurance scheme but what we are doing today is, I suppose, some attempt to protect those who would otherwise have been protected by the compulsory home insurance scheme. Perhaps Government has rethought its position on that issue and has determined that even if a compulsory home insurance scheme was introduced, there would still be persons who might not be able to meet the premiums payable under those schemes and Government would still have to intervene, in any event.

11.40 a.m.

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(EDITED 04/05/09)

SENATOR F.J. STUART: Sir, that is the kind of reasoning to me that I would have no difficulty in embracing because even if you introduce a compulsory home insurance scheme, it is my view that there would still be persons who would not be able to subscribe to it, given other economic factors at work in the society.

Mr. President, this is where I have always had to take my leave of those persons in the society, who argue for a minimalist role for the State and who believe that the private sector should be left to take care of issues of this kind, that the Government should limit itself to clearing up garbage and maintaining law and order. I can never subscribe to that view because, when I look around this region, had it not been for an activist State, the lives of the poor masses of the Caribbean could not have been transformed in the way in which they have been transformed. Sir, activist Governments in these free markets societies have intervened to ensure that the lives of people have been transformed for the better. The truth is that those who argue for a minimalist State had, from the dawn of this region's history until now, to prove that if the State would step aside, they could become involved and achieve the same objectives, which the State has achieved for the people of Barbados and other parts of the region.

Mr. President, it has not happened for the simple reason that the expression "private sector" is in many respects synonymous with the use of a corporate personality. Sir, the moment you talk about using a corporate personality, you have to think in terms, not of satisfying large numbers of people in a society but you have to think in terms of the interest of shareholders. Sir, corporate entities are, to that extent, restricted in what they can attempt to do for the purposes of contributing to social and economic development.

Mr. Speaker, one of the tragedies I think that we have had to deal with on this issue is that whenever Governments have extended their benefaction to private sector entities, that generosity is usually very nobly described as providing incentives but when Governments do what this legislation is attempting to do and other such types of legislation, it is called welfare because the thinking seems to be that in a kind of social-Darwinist type of mindset, the fittest should be left to survive and, of course, not only the fittest but sometimes the slickest should be left to survive and others should be left to fend for themselves.

Mr. Speaker, therefore, I have no major quarrel with this piece of legislation. It requires that the persons, who are to benefit from this Catastrophe Fund, be earning less than \$22 500 per year, which as Senator Griffith has said is the income tax threshold and that the property be owned and occupied by the person making the application and that it be valued at not more than \$125 000. Sir, the rationale given for the \$125 000 is, at that level people do not pay land tax and, in some cases, property transfer tax.

Mr. President, ownership of a chattel house can come about in a number of ways, as we all know. You can buy a chattel house, in which case, you know how much you have bought it for, what improvement you have done to it and so on to establish its value. Somebody can give you a chattel house as has happened in so many families, a grandmother, aunt or somebody gives another relative a chattel house, we know many of those cases, in which case, you need not know what is the value of what has been given to you because chattel houses are really not part of the land. They are movable, they are not fixtures to the land and therefore, are not valued along with the land. Sir, you can also own a chattel house by inheritance in which case again, you need not know what the value of that chattel house because you have inherited it from some deceased relative or spouse. Of course, a few lawyers know that you can even own a chattel house by stealing it although those cases are not in the majority but it happens as well. Sir, I do not mean that the lawyers steal them, I mean they are stolen by other people.

Mr. President, my problem is this, if the owner and occupier of a chattel house, who satisfies the income qualification, finds himself living in a chattel house that is valued at just over \$125 000 but he has inherited or it has been given to him, and it is not insured, it gets destroyed by fire or it gets destroyed by any other catastrophe, does the Committee have a discretion, taking all the facts into account - the legislation does not make it clear - to look at hard cases and to decide those cases in favour of the hapless houseowner.

I think that there should be some clear indication what would happen in cases like that. Sir, from reading the legislation I do not get a sense that there is a lot of scope

for the exercise of the Committee's discretion. Senator Griffith was quite clear when he said that the line had to be drawn somewhere but I really think that there should be some scope for the exercise of a discretion to cover hard cases and, Sir, I can see those hard cases coming about in circumstances, where the person did not actually buy the chattel house and, therefore, cannot prove its value. Sir, he would not have given his mind over to thinking about its value because it might have been given to him or he might have inherited it and then, this disaster befalls him. The situation in that case, I think could work hardship if there is no scope for the exercise of a discretion.

Mr. President, the other concern, which one needs to have is this, if a house is destroyed by fire and it is not insured, reconstructing it for valuation purposes can be fairly difficult. Sir, we are talking about chattel here, we are not talking about stone and when a chattel house is destroyed, it is destroyed.

S63/11:50

Sequence 5

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SENATOR F.J. STUART: Sir, reconstructing it for valuation purposes, trying to establish that it was in fact valued at \$125 000 or under \$125 000 could prove difficult.

Sir, when I looked at the persons who are supposed to serve on the Catastrophe Fund Claims Committee, I note that the Minister has the right to appoint two persons by instrument, in writing. I really think that some person with valuation skills, should sit on that Committee and bring the weight of his expertise and authority to bear on its deliberations, so that persons are not put to any particular disadvantage.

Mr. President, apart from those concerns, I do not think that there is much that one can quarrel with in the Bill, and I think that it qualifies readily for the Opposition's support. I think that it is something that needs to be done. I understood the Barbados Labour Party's thinking, when it was talking about compulsory home insurance, but when one looks at how compulsory home insurance could be operationalised, if it were introduced, I still think that there would be a large segment of the society that would not be able to benefit from compulsory home insurance, and, in fact, the legislation would be honoured more in the breach than in the observance, if it were really introduced.

Sir, I support this Bill, just with the few caveats which I raised, and I think that the Government is entitled to be congratulated on this initiative.

I am obliged to you.

Mr. PRESIDENT: Senator Marville.

SENATOR R.O. MARVILLE: Mr. President, I would like to begin on the note of the valuation experts for a slightly different reason. Sir, while agreeing with Senator Stuart that such a person would be invaluable on such a committee, I want to ask a few questions. I am clearly in support of this Bill, and my only concern is a couple issues which I think need to be raised.

Sir, we talked about a value of \$125 000. I need to know what is the assessment base. Is this the present market rates or the Government's assessment? Sir, there is usually a gap between the two. The point of this is, if it is a Government assessment, when you need to do the rebuilding, which will be at the current market rates, you are into a whole different category of things. Anything that cost \$100 000, according to Government assessment, may cost a lot more than \$125 000 to replace it, one way or the other.

Mr. President, I also want to ask a more fundamental question, that is, whether the actuarial basis for switching from insurance to replacement was done, and it was determined that, let us say, a system where the Government provided some level of insurance, if not total insurance, for those who are unable to pay, would cost more in the estimation in the actuarial analysis, than actually replacing the houses.

Sir, apart from that one other issue which I consider fairly important, is that there are still in Barbados a few wall houses, some of them from the parish we know best, perhaps, which were old slave huts, and they are certainly, under any type of valuation less than \$125 000. These usually have roofs that are of timber material, and any fire would destroy the house entirely and any hurricane where there was flying debris would destroy the roofs. These are often occupied by very old people, and have been occupied by very old people for a very long time. Sir, what happens in such cases, because they are not chattel houses, in the classical sense, and they do not fall under the aegis of the Bill.

Sir, I was wondering whether in point of fact, the Committee or the Minister should not have been given in the legislation some degree of flexibility, to account for cases like this, otherwise, they have to go through a completely different process, through the Rural Development Commission or the National Housing Corporation to get anything done in such cases. I think this is a good opportunity to have an umbrella legislation that encompasses all of these things.

Sir, I offer my support to the Bill. Thank you, Sir.

Mr. PRESIDENT: Senator Barker.

SENATOR T.E. BARKER: Mr. Speaker, I want to make a small contribution to this Bill. It is an important piece of legislation, and one, which I am sure all of us in here would want to identify ourselves with.

Sir, the whole question of compulsory insurance, I make no pretense of being a lawyer, but there are certain issues there, like the question of a person's constitutional rights and so on. We are forced to insure our cars primarily because, our cars can damage an innocent third-party, whether it is another car or person, so, the State requires us, because of this particular fact, to insure our cars, so that an innocent third-party would not be put out by any action which we took. Sir, is it the same with a house? Is it the same, if I own my home and made a decision that I will not insure it, can, or should the State force me? Mr. President, it is a very complex issue, on which we can all ponder, but it raises some fundamental issues about a person's constitutional rights.

Sir, the Bill is not meant to be a substitute for house insurance. It is not meant to be, primarily for two reasons, one, the value of the property is \$125 000, which is low by modern standards, and at the same time, the income of the recipient is such that a lot of people in Barbados would not be able to access the Fund. It is not meant as a substitute.

Sir, the people who were left out and the properties which are left out, can easily find insurance cover. If you have a house valued more than \$125 000, chances are, that property would be given coverage comparable by insurance. The properties that insurance companies do not like to handle, are obviously those which are chattel, not attached to a foundation or there may be certain things about the house, that would not make it fit for insurance purposes.

Mr. President, I am sure that all of us would agree that most of those houses fall under the \$125 000 threshold, and most of the occupants and owners of those houses would be below the income threshold. This Bill, as I see, covers those properties which the ordinary insurance companies, would not really want to handle.

Mr. President, the Bill, must not be seen as a substitute for a person accessing the insurance market and getting insurance for their property. I am sure that all of us would encourage anybody in that situation to access their own home insurance. This is not a substitute. This is for those people who are the poorest of the poor, and those whose properties are such, that the insurance companies would not really want to cover them. That is why there is an income threshold and a property threshold below which the Bill will operate.

12.00 p.m.

Sequence 6

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Senate 63, sequence 07, 12.00 p.m.

Senator T.E. BARKER: Sir, I suppose that it is incumbent upon us to encourage householders to take all the necessary precautions, humanly possible, to avoid the incidence of any catastrophe.

Sir, if we look at the Bill carefully, it says that the Fund will give a grant. It did not say that out of this Fund, you will get a replacement house. It says that you would get aid. You would get help. Sir, we should not read into this Bill that the Fund will give you a complete house. The Fund is there to give a person assistance, and the Committee looking at the circumstances, will make a recommendation, as to how much aid they are going to proffer.

Sir, do not forget that it is not only limited to fire. We mentioned fire, because fire is the most common form of catastrophe that we have, thankfully, on this island, but the Fund covers storms, hurricanes and so on. Therefore, you can image that if we have a hurricane, the properties that are more likely to be destroyed are going to be these same properties that are valued \$125 000, and the ones that are going to be most heavily affected, would be those in the lower income threshold. Therefore, you can imagine that if there is a bad hurricane, a few dozen properties would exhaust this Fund, if the Fund would be called upon to replace every house. Sir, the Fund is there to give a person assistance, in the event of a catastrophe, and it must be seen in that light.

Asides.

Senator T.E. BARKER: Obviously, in the case of a hurricane, there are other avenues and mechanisms through which the Government can operate.

Mr. President, the point I want to stress is that the homeowners must be encouraged to go and access the insurance for their properties. Equally, I want to call upon the insurance companies to do all in their power to make insurance more affordable and more available, especially to the vulnerable in our society. They must stop this foolishness of shying away from insuring wooden houses, and they must find proper ways of dealing with insuring these properties. The Government has to protect their decisions, but do not forget, the insurance companies also have a mandate, because they take our money. I am calling upon them to make better provision for the insurance of these properties.

Therefore, the Bill is a good piece of social engineering and I am sure you would agree, Sir, that it is a hallmark of this administration that they always seek measures to improve the lot of the citizens of this country, especially those who are the most vulnerable. Sir, this falls into that category.

I am sure about this, especially since the Senators from the other side assure me that I am right in making this bold assertion. The evidence is clear that wherever there is a need, this administration would not run away from them but we would confront them and use our thinking and our social conscience, in order to ensure that every citizen - because everyone matters - gets relief, help and comfort, especially those who are marginalised, those whom the society otherwise would not bother about. We are the Government for all people and it is in this light that this Bill should be seen, a Government that cares for the people and would go all out to ensure that the aspiration, hopes and wishes of the people are addressed, as soon as possible.

Asides.

Senator T.E. BARKER: Sir, I know that I should not hear asides, but if people think it is a campaign speech, I should remind them that we only 15 months to go.

Mr. President, with those few words, I want to commend this Bill to this Honourable Chamber.

Thank you, Mr. President.

Mr. PRESIDENT. Senator Linton.

Senator I. St.C. LINTON: Mr. President, I rise to support this Bill and to raise a couple points. I want to support the point that Senator Stuart made, in regard to the Committee having some measure of discretion. We know that all properties in Barbados are valued through the Land Valuation Department.

Now, there are certain circumstances, where a person might own a chattel house, but not the land on which that the house is located. The Land Valuation Department values properties on the question of land value and site value. Therefore, there is an area which, in my view forms an anomaly to this legislation. One must be clear that persons falling in a circumstance like this, would also benefit from this Catastrophe Fund.

The other thing is, if the person who owns a property of \$125 000 and down, not taxed, and they have insurance, what does the legislation speak to a circumstance like that? I raised these two issues because they are real.

Mr. President, I do not know if anybody in this Chamber lives in a Chattel house like me, which is

probably two-thirds chattel and the rest is wall. I am outside of this, because of the valuation. Therefore, it is important for me to insure my property. I want to stress the point that it is important for anybody who owns property in Barbados to seek to insure that property, and not be dependent on the Catastrophe Fund.

With these few points, I would certainly support Senator Stuart in relation to the point that those who are on this Committee, if it is not added to the legislation through regulations, would have some discretions in these matters. Mr. President, I support the Bill that is before the Senate.

I thank you, Sir.

Mr. PRESIDENT: Senator Nicholls.

Senator G.P.B. NICHOLLS: Mr. President, I rise to lend my voice in support of the Catastrophe Fund Bill, under consideration in this Chamber. I perhaps, Sir, might want to raise many different issues, which were not touched upon by Honourable Senators who spoke before me. In so doing, I believe it is important to state that this Government has changed, in a very fundamental way, the way in which Barbadians relate to chattel houses.

Senate 63, sequence 07, 12:10:14

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SENATOR G. P. B. NICHOLLS: We all understand that there is a historical connection between Barbadians and the chattel house as a first means of securing somewhere to live. We all understand the historical connection that is associated with Barbadians and chattel houses.

The policies of the Barbados Labour Party administration now and in its last term of office have always been to address some of the fundamental concerns of Barbadians living in chattel houses. Sir, I do not believe that this Bill should pass this Honourable Chamber's attention without mentioning the consistency in the way in which the Barbados Labour Party has dealt with the issue of people who live in chattel houses.

Sir, we all understand the workings of the various pieces of legislation, which give Barbadians who live in chattel houses the opportunity to purchase the lots where these houses are. This has been a consistent policy and the Government has been spending million of dollars to continue to give Barbadians the opportunity to purchase the lots, some of them that their foreparents have been in occupation of for a very long time.

Mr. President, when we look at the circumstances in which a number of the chattel houses in Barbados find

themselves, we have estimated in our research that there are about 83 000 occupied dwellings that fit into the scheme of this legislation in which persons live and earn a certain minimum income. Mr. President, that is important because outside of our policy framework in relation to housing and chattel house issues, the Government has sought to draw, in this legislation, a connection between its income tax and fiscal policy in relation to dealing with these issues. Mr. President, I think that the Honourable Minister who introduced the Bill did a fine job in relating the framework in which the figures that are used as benchmarks in this Bill have been brought into play.

Sir, the point I am making is that there is a consistency in Government's policy because we recognise that on one hand we have been giving tax reliefs to certain persons whom we find are deserving of certain tax relief in the context of the Barbadian economy and our progressive tax relief system. However, at the same time there is a need for every Barbadian to have a share of the responsibility in making contributions to the Catastrophe Fund and other systems that we implement in order to promote the general well-being of all persons in the society. In this regard, every Barbadian who pays national insurance would make some contribution towards the development of the Catastrophe Fund. The Government itself would make a contribution for the first five fiscal years of the fund's operation.

Mr. President, there have been some discussions about the rigidity in the scope of the Bill. Sir, we do not believe that this Bill is a perfect Bill. In fact, many times legislation has proven not able to meet all of its objectives and we come back from time to time in Parliament to amend it.

Mr. President, this Bill is not perfect from its inception, but it has been drawn as tightly as possible to secure the fund. Sir, it is important in its early stages that the Catastrophe Fund be allowed to grow and that the fund managers are able to have the flexibility to do certain things to the fund to allow that fund to grow.

Mr. President, if we were to draw the regulations governing the management of the fund in the way that every parliamentarian, particularly here in this Honourable Chamber, has commented on this Bill, then you would find that we would have encumbered the room for the manoeuvre of the fund managers in a way which might very well run the fund into a disaster if there were an occasion to give out grants under the fund.

Mr. President, it is important to know that Government is not insensitive to the concerns raised by Honourable Senators, particularly the comment about persons who have wall structures that are valued under \$125 000.

Sir, the fund, as Senator Griffith has said, must have a starting point. There must also be a cut-off point at which the fund managers can say they cannot cover those kinds of situations because if everyone were to go to the Catastrophe Fund, then it would not make sense having a Catastrophe Fund and the vulnerable people in the Barbadian society would not be covered by the scope of the fund.

Sir, we all understand that natural disasters have been playing a fairly significant role in reshaping the lives of ordinary Caribbean people. I am happy to note that the categories of catastrophes mentioned in the Act are not exhaustive. Indeed, any other catastrophe caused by the forces of nature, that catch-all phrase, is very important and it is not to be underestimated as being in lesser light than any of the other mentioned catastrophes under the Bill.

Sir, the high cost, both the economic and social cost, in relation to natural disasters and the frequency in which they occur required of a Government in this day and age to approach natural disasters as a development problem rather than as a specific isolated event. This Bill before the Honourable Senate today gives effect to that kind of thinking, that we must approach the concept of natural disasters from a developmental perspective rather than single isolated events. Sir, you would recall that earlier in this term we passed other legislation to give a more comprehensive framework and set it in train so that we can deal with natural disasters that may affect our country.

Sir, I am told that the Government's consideration of compulsory insurance has been at the forefront of the determination and setting the limits of the Catastrophe Fund Bill. In fact, the analysis that was done before this Bill came into existence, has shown that there is fire insurance for people with chattel houses available at reasonable rates in Barbados. It is perhaps not widely publicised or not widely known, but people who live in chattel houses in Barbados can go to the insurance companies and get coverage for any of the many hazards that befall this country, particularly fire, floods and things of that sort.

Mr. President, while we do not have full coverage of every household in Barbados, we cannot give the impression that there is no coverage for chattel houses, because that is certainly not so. Sir, I have had the occasion to assist relatives who live in chattel houses in terms of processing their claims and meeting people from the insurance companies when assessments were being done. I know for a fact that there is available in Barbados coverage of insurance for people who live in chattel dwellings.

Mr. President, I do not believe there is any sinister plot on the part of insurance companies. I really think that it is a question of people not making the choice to have

insurance coverage. Sir, it is important that we understand that when people have a disposable income they have to make certain choices in relation to what their income can afford.

Senate 63 Sequence 8

12.20 p.m.

Wednesday, February 28, 2007

Senator GREGORY P. B. NICHOLLS: Mr. President, invariably the people who we have identified in this Bill are, more likely than not, weekly paid workers. Therefore, when the issue of an insurance premium comes up, invariably it is a lump sum payment, which people cannot pay and they very well might opt for not going the insurance coverage route.

Mr. President, therefore, as a society, what we have to work out - and it might not necessarily be an issue for Government or for the insurance industry - is the way we could revisit the issue of insurance premiums. I know that insurance companies might tell us that if they are willing to give coverage, that premium could only be extended over a three month period. Therefore, persons would be given a short window of opportunity to pay in the rest of the premiums because of the fact that they insure risk.

Mr. President, in these circumstances, I think, perhaps, there must be broader discussion in the country as to how we could afford persons the opportunity to insure their premises, when they have to make decisions on a small disposable income they might have. Sir, that is an issue that cannot be resolved, neither by the insurance companies nor by Government alone, and I think it is an issue that is worthy of more comment in the society as a whole.

Mr. President, the vulnerability of certain communities in Barbados to natural disasters has come about in many ways. I know for a fact that in the rural communities in Barbados, particularly in St. Thomas, where I have my origin, when there is a tropical system... I remember Hurricanes Lily and Ivan, which threatened to do serious damage to our landscape, we were very fortunate in this country that we did not get the full effect of those systems. But, Sir, there was a lot of collateral damage done by those systems. Sir, today, there are people who have not been able to recover fully from the effects of those systems.

Mr. President, persons have gone to Government agencies and Government agencies have had to apply the policies established by the Government, in relation to giving relief to those persons. Sir, there are people who fall outside of the income threshold of the Catastrophe Fund

Bill but who are not in a position to get insurance because of where they live. I am talking about people living in areas in which the land is slipping. Therefore, insurance companies are not going to insure those kinds of risks at premiums that make economic sense to the person who wants insurance, in any event, if they could have afforded it. Therefore, these persons might very well feel that this Bill limits their opportunity to get access from Government.

Sir, I am making the call that while I agree that the categories have to be tightly drawn, especially as we allow the Fund to develop, we also need to redefine our policies, in relation to those other areas, so that we do not create the impression that we are only looking to solve one particular problem, and if there are persons who are outside of that problem, then the relief that would have been otherwise given to persons under policies establishment by various Government, those policies are no longer going to be applied to those persons, who suffer from the catastrophes identified in this Bill.

Mr. President, I want to send out a warning that because this legislation has come and the Fund has been put in place, that we cannot allow a situation where people in need cannot go to Government agencies in need. I do not believe it is the intention of any Government agency to turn away people but I think we should say, from the outset, that the passage of this Bill and bringing it into law, cannot mean the end of Government agencies and departments dealing with the concerns of people who fall outside the scope of this legislation.

Sir, that is an important point to make because some people might very well feel that because they might live in a house that is not a chattel house or a house that meets the requirements under the Catastrophe Fund Bill, that there is no longer any mechanism by which Government could assist persons. Sir, I want to make that point, which I think is important, because I do know that there are persons who have suffered, as a result of the tropical systems that came to our country a number of years ago, who are still waiting for relief. I know that because of the regulatory and administrative requirements for funding and assistance, those persons have not been able to meet those requirements and have had to deal with the issue on their own, and have taken a very long in doing so.

Mr. President, I am not saying that Government should get up and spend money on every person, who has damage done to his or her house or who cannot repair the house in the immediate future but we must look to find ways to give assistance to persons, who are working and probably could finance, over a longer period, the recovery efforts to their dwellings.

Sir, I want to lend my support to this Bill. I am happy that the Government of Barbados will implement this piece of legislation, to give comfort to those persons at the low end of the income scale in the country. It is worthy of our commendation and support and with those few words, I am greatly obliged.

Senator R. W. GRANT: Mr. President, I rise to make a few brief remarks and to give my support to this Bill, which we are discussing.

Mr. President, I believe it is commendable when a Government seeks, through legislation, to help those who are most vulnerable in our society. I believe too that while Government would wish to help a large majority of individuals, one must always be realistic and must ensure that any assistance, which is going to be provided, would be done so to those individual who require that assistance most.

Mr. President, I believe this Bill, which we are discussing, is a very important Bill because it would help those, who are faced with a catastrophe and who need the assistance of Government most. I think it is also important to reiterate a point, which has been made before, that the assistance provided to individuals who face catastrophes, would not only be covered by this piece of legislation. There are also mechanisms available by Government, to assist individual but this Bill predominantly seeks to provide assistance for a certain category of individuals in Barbados.

Mr. President, I would also wish to make the point that it is important for individuals to accept that they have some degree of responsibility, in relation to insuring their homes. Sir, we must not always look to Government for assistance, we have to recognise there is also a responsibility on the part of the individual. Therefore, I would wish to encourage all Barbadians, with respect to property that they own, to insure those properties.

Mr. President, one of the reasons I am very happy about this Bill before this Honourable Chamber today, is the fact that every day I meet owners of chattel houses in Barbados, houses that are valued at less than

\$125 000. Sir, in many of the districts I visit, there are clusters of houses, there are individuals who earn less than \$22 500 annually and who, if faced with a catastrophe, very often would find themselves challenged as to where they would get assistance.

12.30 p.m.

Wednesday, February 28, 1007

(EDITED 04/05/09)

SENATOR R.W. GRANT: Sir, many times these houses are not insured whether the catastrophe is a fire or a flood, they find themselves overwhelmed.

Mr. President, I am happy to support this legislation. When I visit places like Waterhall Land, Deanes Village; when I visit places in Station Hill, Godding Road and Waterford, where there are clusters of houses, where those houses are valued at less than \$125 000, where the owners earn less than \$22, 500, I can say to them that I represent a Party in Government, which cares about them and which is interesting in their welfare and well-being. Sir, I can say to those people in Sealy Land, Military Road and Industry Road that if they face a catastrophe, this Government will hold their hands, help them along and ensure that the assistance is provided.

Mr. President, I give them the assurance that I shall walk with them and give them the support in ensuring that they are able to access the benefit from this Catastrophe Fund because it is important, it is for their benefit and for their well-being.

Mr. President, I am happy to be part of a Government, which cares for the people in the way that this Government does.

Mr. President, I am obliged to you.

MR. PRESIDENT: Senator Sir Roy Trotman.

SENATOR SIR ROY TROTMAN: Mr. President, I did not think I was going to speak but there is a sense of campaign in the air and I would not like to be left out of it.

Asides.

SENATOR SIR ROY TROTMAN: Mr. President, I wish to say, as I rise to support the Bill before us that I am very impressed by the references that have been made to the social engineering that applies in the case of this Bill and that I applaud efforts made by any Government to put down the level of social engineering for the people of the country, which will have the effect of dealing with those persons, who are particularly disadvantaged at the level of an economic capacity to improve themselves.

Mr. President, it is understandable that persons, who speak for the labour movement, would be particularly interested in comments made by Honourable Senators relating to the importance of this Bill as it applies to those persons, who have little or no discretionary spending capacity. No doubt as Honourable Members spoke, they must have recognised that is why the trade union movement would seek to have built into any salary level of increase provision for those without discretionary capacity,

a level of percentage increase that provides for that same support and shoring up of their capacity that is not necessary for those, who have greater levels of spending capacity.

Mr. President, the Government should be complimented in the area of this particular legislation for recognising that there is, in this particular area of its activity, an interest that it must provide for taking care of those persons, for example, in Deanes Village and all those other areas within a certain constituency that has been mentioned, whom we applaud for their efforts to improve themselves and we wish to thank those who want to help them further.

Mr. President, my concern in rising has to do with some areas of difficulty, which may arise that we have to ensure that either by some regulations or by the advice that the Minister would give to the management personnel that would allow us to cover the weaknesses recognised by the Government in the Bill as it stands. Sir, our people have been industrious people over the years and there are many areas in this country where people set out on small plots of land with chattel houses to improve on those houses, year by year or windfall by windfall, whatever kind of windfall that might have been, for example, sugar workers, when they got bonuses at the end of the crop season would take part of that bonus and would add a piece of wall structure to the chattel house they had. Sir, in some cases, as Senator Linton said, they were doing it, even though they were not doing it on their own land, in the hope that they might be able eventually to possess that land.

Mr. President, two things might happen here. One is that the house by now may very well be a stone structure by that gradual process of incremental adjustment. The Leader of the House has indicated that the intention of the legislation is to treat those houses that are mostly wood but in the circumstances like those that we have spoken to, we have two problems. One is that we may now have a house that is no longer wood but that still needs the same kind of protection for that homeowner as we may need for somebody, who from the outset built a wall structure. The second problem we have is that by that same incremental basis, that person may now have a house, which on the market may be valued more than \$125 000 but the person who lives in the house may still be the same level of person, who could not afford at the very outset to build a wall structure and who, therefore, will be in need of the benefits from this kind of social engineering that we have referred to. What happens in that kind of circumstance?

Sir, as Honourable Senators have tended to project, there would be the need for the level of understanding, commitment and discretion at the level of the Management Committee that we hope would be possible. It would, therefore, be necessary for the review structure within the

Management Committee to be one that gives the possibility for that Committee to recognise that although we speak to \$125 000, that must not now be structured in such a way that it is perceived to be the laws of the Medes and Persians. It must be structured in such a way that the Committee is able to see the antecedents relating to this matter, the environment and the circumstances surrounding how the structure came about in the first place and are better positioned to speak to the level of support that would be forthcoming.

Mr. President, I think too that with all the discussion they had been about whether insurance companies help or do not help in areas where there are chattel houses that it might be desirable for some discussion to be held between whoever is appointed....

S63/12:40

Sequence 10

Wednesday, February 7, 2007

SENATOR Sir Roy TROTMAN: ... as the Management Committee by the Minister concerned with the insurance companies, so that a system might properly be devised to do two things, to help to advise the Management into how we can bridge the gap between what is clearly set down as the limits within the regulations, and what is going to be in the area of discretion. And furthermore, to assist in the greater promotion, more high profile promotion, of the business of encouraging people into insurance.

Mr. President, we need to do that now, particularly because there is this legislation. This legislation might eventually bring significant benefits to persons, but at levels of social engineering of this type, there has to be a period during which the funding is able to accumulate sufficient support for itself, as to be able to be an effective mechanism for treating the social engineering, which there will be.

Sir, colleagues will remember that when we established the National Insurance Scheme, a great piece of social engineering that was, there had to be a period during which funds were collected, benefits were not paid. We need to encourage people to recognise that there is that period, but even when the funding has accumulated sufficiently, at the level at which the accumulation takes place, persons must not be able to see within that funding, a gravy train which is so fantastic or fabulous, that they will not have from time to time, if they suffer from any catastrophe, where they will not have to pull their own pockets and make a contribution to the restoration of their properties.

Sir, one has to be careful in this, because when we dealt with the Social Security Scheme for pension benefits, far too many people did not receive the message regarding their own self-insurance. As a result of they not being self-contributors to the National Insurance Scheme, some of them now, at age 65 or 66, have reached a position where they are most in need of some support, but are unable to receive any because the Scheme has not provided for it, and does not now provide for it.

Mr. President, that happens with people, some of whom are intelligent. Let us not believe that everybody who does not do something is a person without intelligence or is a person that does not think about his or her welfare.

Mr. Speaker, I think Senator Nicholls made the point, and he made it very well, that the problem often comes from the level of discretionary spending that the person has, or from the method in which the person receives his or her earnings, and that often very much becomes an obstacle to having that person do what commonsense dictates that he or she should do.

I am of the view, therefore, that we have to use occasions such as this, with the matter of a Catastrophe Fund being very much part of the dialogue which is ongoing now. I have no doubt that during the next fifteen months or so, it will become part of the dialogue in that period. I make reference to fifteen months purely because of the contribution of Senator Barker.

Mr. President, there is no doubt that there will be plenty of discussion about this issue, and the occasion should be taken to make sure that the entire country is made more fully aware than it otherwise might have been of the value and importance of protecting ourselves. If we feel that we have lived without insurance, or that we have lived without some kind of social benefit to ourselves, well let us think of our families. Anybody who has a property and does not insure that property, should be made to realise that he or she is not taking care of his or her family. If there is one thing that we know about our Barbadian people is that we want for our children better things than we were able to get for ourselves.

Mr. President, part of the sell, therefore, has to be, that even though there are difficult times, those difficult times must not be allowed to become so great, that we do not protect our property whether it is chattel, or it is better structured in our housing. That I believe can easily be done by having a committee involving the insurance companies that would look again at the methodology in how we accept premiums and determine that the person can still get coverage, and does not have to make only semi-annual payment or an annual payment.

I believe that in the circumstances, Barbados has been lucky. We have been spared a number of catastrophes of major nature, in the recent past, but we have to look forward and recognise that when we look forward, we may have an occasion where we may not be just as lucky as we have been. It is true that we pray a lot but we must understand that God helps those who help themselves.

I thank you very much, Sir.

Mr. PRESIDENT: Senator Griffith.

SENATOR the Hon. E.R. GRIFFITH: Mr. President, I wish to thank Senators for their contribution in this debate. In closing, I wish to start by saying that we need to recognise that the Bill does not seek to replace the existing arrangements to assist people who suffer damage of any kind. Therefore, we must not read that into the Bill, because that is not the intention of the Bill. The focus of the Bill is on a specific category of persons, the most vulnerable in our society.

Mr. President, the issues raised by Senator Linton and Senator Stuart are issues which, in my view, are not as significant as being suggested. The Committee, under Section VI, is expected to consider claims and to make assessments. If a person inherits a chattel, or however the person gets it and cannot establish ownership and, therefore, cannot establish the value, I am sure that the Committee, in assessing the claim, would take those circumstances into account. I do not expect the Committee to have any hard and fast rules in making an assessment of the particular circumstances.

Sir, if a person has an insurance policy, what is the situation? If I had to be a member of that Committee I would have to take that into account in determining the size of the grant that person would receive. I do not anticipate that as an issue. We must not believe that the persons who are going to be responsible for managing the funds will not be capable of taking all the circumstances into account.

Sir, I am sorry that I have to say to Senator Trotman that, according to the existing Bill, I do not believe that they would be able to take the antecedents and determine that it is a wall house now, but it got here because it was done in twenty phases. I do not think that the Bill anticipates that. If it is a wall structure, according to the existing legislation, it is not provided for here, because it says 75 per cent or more wood and it does not cover wall structure. Sir, while that is an important issue, and it is one that would have to be looked at when reviews are done, and probably changes to the Bill, at the present moment it does not cover those circumstances.

Sir, the issue raised by Senator Marville, there are wall structures that are valued less than \$125 000, but the

Bill does not capture them. It says specifically, wooden structure 75 per cent or more, but it is an issue. If you want to widen the Bill in due course you can do that, but the Bill as it stands is specifically geared towards covering those persons who are considered the most vulnerable.

12.50 p.m.

Sequence 11

Wednesday, February 28, 2007

Senate 63, sequence 12, 12.50 p.m.

Senator the Hon. E.R. GRIFFITH: While these are important social issues, these are issues that would have to be looked at, as we determine, in due course, that there is need for widening the scope.

At the present moment, the Bill does not seek to please all persons in all circumstances. It seeks to deal with specific circumstances and, unfortunately, that is how we have to proceed because even when we take into account those new circumstances in the review and change them, there will be circumstances that will be brought up to be added. Then, it ends up being a Bill that tries to please all men in all circumstances. Sir, you know when you get that situation, you have a problem on your hands.

I believe that we need to give this a chance and to look at it as it functions and then, over time, we may determine that we need to make adjustments.

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 to 4 were called and passed.

Clauses 5 to 8 were called and passed.

Clauses 9 to 12 were called and passed.

The Schedule became the Schedule to the Bill.

On the motion of Senator the Hon. E.R. GRIFFITH, Madam CHAIRMAN reported to His Honour the

PRESIDENT, the passing of one Bill in Committee and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motion of Senator the Hon. E.R. GRIFFITH, the Bill was read a third time and passed and cited as the Catastrophe Fund Act, 2007.

SUSPENSION OF SITTING

Senator the Hon. E.R. GRIFFITH: Mr. President, I beg to move that this Senate be suspended until 2.35 p.m. today.

The question that the Senate be now suspended until 2.35 p.m. was put to the Senate and agreed to and Mr. PRESIDENT suspended the Senate accordingly.

Senate 63, sequence 12, 12:55:09

Wednesday, February 28, 2007

RESUMPTION

Mr. PRESIDENT: This Sitting is resumed.

ORDER No. 7

VISITING POLICE FORCES (ICC CRICKET WORLD CUP, 2007) BILL, 2007

SENATOR the Hon. E. R. GRIFFITH: Mr. President, you would recall that a few weeks ago when we dealt with a number of pieces of sunset legislation, which we had to put in place to ensure that the staging of the Cricket World Cup matches would take place in an environment which is safe and secure, that some questions were raised about whether our regional police forces were capable of dealing with such situations.

Mr. President, at that time, I made the point that here in Barbados we had taken all the necessary steps to train the local force but that since we have never had the opportunity to host an event like this before, it still would be a case of they not having the experience, even though they have had the training, to deal with such situations and that a number of friendly countries had expressed a willingness to assist us in certain areas.

Mr. President, at that time, I did not name the countries, but from the Bill before us, you would notice in the Schedule, a list of countries that have indicated a willingness to assist in some areas, they are Member States of the Caribbean Community, Associate Member States of the Caribbean Community, South Africa, Canada, the United Kingdom, France and the Netherlands Antilles. All of these countries have offered to assist in some areas and to provide some of their highly trained personnel who have

had experience in dealing with some events that ours have not had the experience in dealing with. In this particular case, the country that has offered the greatest number of personnel is South Africa. We expect that in the coming weeks some of these persons will be arriving in the region.

The legislation then seeks to create the legal framework for these forces to work throughout the region not only in Barbados. This is an arrangement that covers the entire region. Persons would be distributed across the region depending on the needs in the particular jurisdiction. Mr. President, what this legislation is seeking to do in Barbados' case is to provide for these persons to work under the command of the Commissioner of Police and to perform functions as he directs similar to the functions that the members of the Royal Barbados Police Force would be performing. Mr. President, it is in that context that you see a provision in the legislation granting them immunity from criminal prosecution in relation to any acts that take place as they carry out their duties under the direction of the Commissioner of Police.

Mr. President, yesterday, I heard people making an issue of this and I smiled, because they are granted no more immunity than what our local policemen are granted. They are granted the same rights and obligations as the members of the Royal Barbados Police Force are granted in the execution of their duties.

Mr. President, outside of the police force, public servants are granted immunities in certain particular cases when they are executing their duties. In this case, the rights and privileges and so on, referred to here, are exactly those that are granted to the members of the Royal Barbados Police Force in the execution of their duties, and that is important. Outside of that, it is a different issue, but it is in relation to the execution of their duties.

Sir, when the Commissioner of Police instructs these persons involved to carry out certain duties, they are granted the same immunities as every member of the local police force, so it is really not as serious an issue as some people, who did not read the legislation and are not even aware of what happens now in the case of the member of the Royal Barbados Police Force, are suggesting. Mr. President, it is really not anything outside of that and it is quite in order, if they are functioning under the command of the Commissioner of Police.

Mr. President, the Bill then sets out what is the relationship between these forces and the Commissioner of Police. Already, we have an arrangement with the Regional Security System in relation to the armed forces, which work similarly. When there is some problem in Barbados which requires Barbados to call on the Regional Security System for assistance, as happened when we had the fire at Glendairy Prison, and Barbados had to rely on support

from the Regional Security System, the existing legislation, which deals with that arrangement, provides for those persons to come here and to function and to have the same rights and privileges as the local personnel who function in that area. Sir, they function under the control of the Commissioner of Police in some instances as happened when those persons were engaged at Harrison's Point.

Mr. President, this is a similar arrangement, only that it is in relation to persons coming from outside of the region. Mr. President, they would be here for a specific time. The legislation, as you would notice, Mr. President, says that this Act expires on the 31st of May, 2007. Mr. President, this is part of the sunset legislation that is considered necessary for the smooth functioning of the staging of the Cricket World Cup matches.

Mr. President, we cannot over-emphasise the need for a safe and secure environment. As I said when we discussed this matter before, while we in Barbados may feel that we have not interfered with or troubled anybody and therefore nobody would come to trouble us, we would have guests that do not have that luxury to take that position. Therefore, it is our responsibility to ensure that our guests are protected from any eventuality.

Senate 63 Sequence 14

2.40 p.m.

Wednesday, February 28, 2007

Senator the Hon. E. R. GRIFFITH: Therefore, we cannot underestimate the need to have a safe and secure environment. Sir, in order to ensure the safety of that environment, we must have people, who are adequately trained to deal with such eventualities.

Sir, the way in which the world is now going, not only in the area of terrorism but in most other areas, things have changed from what they used to be. We have youngsters now speaking in codes, in order to prevent adults from understanding what they are speaking about. The adults now have more problems in trying to understand what the youngsters are saying, whether the youngsters are singing or speaking, they do it in codes.

Mr. President, in the area of terrorism, because we have not suffered from any such event, does not mean that we can rest on that, when we have persons from other countries that have been subject to these situations before and who are able to deal with them, when they occur. Sir, for instance, if we were to get a smart guy, who would have recognised that we want to play 'cool', here and use that as an opportunity to come in and do damage to Barbados. If this were to happen, Barbados would never be able to live down that situation, not only from the point of view of

being a bad host but more particularly, from the point of view of offering ourselves as a safe destination to persons coming from other countries, to visit our shores. Therefore, I would encourage all Honourable Senators to support the passing of this legislation, so that we could make sure that the Cricket World Cup matches are held in a safe and secure environment.

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

Senator FREUNDEL J. STUART: Mr. President, I am indebted to the the Leader of Government Business for his rationalisation of the Bill. Sir, like Senator Griffith and the Government, we in the Opposition, look forward to a successful Cricket World Cup. Sir, we too would not like to see any unfortunate events occurring here, in circumstances where these events could besmirch the reputation of Barbados. Sir, we are consoled by the fact that this legislation is part of the sunset legislation and will expire on May 31st, 2007.

Mr. President, Senator Griffith mentioned the concerns raised by others elsewhere about the immunities being granted to these Visiting Police Forces. I agree with him that the immunities being granted are no different from those at present enjoyed by our local Police Force, but I think Senator Griffith still needs to understand that there is still going to be a fundamental difference between a Barbadian police officer, carrying out his duties under the direction of the local Commissioner of Police, and a police officer from the United Kingdom or Canada or worse still, from France or South Africa, doing the same thing here. In these cases, there are cultural factors being involved here. Therefore, what a Barbadian walking the streets might be prepared to accept from a local police officer, who he knows, whose relatives he knows or who might relate to him in a particular way, he might feel unable to accept from a visiting police officer from one of these designated States. Sir, this could generate a lot of tension for the period of Cricket World Cup, 2007. Mr. President, therefore, I do not think the concerns being raised are worldly, wild or without basis, I think there could possibly be cultural conflicts, and I hope this does not happen.

Sir, a policeman carrying out his duties in Canada, the United Kingdom or France, might be carrying out the same kind of duties in Barbados, but perhaps he carries them out differently in the country from which he comes, and that might conflict with the standards, customs and values of people living here.

Mr. President, I am given to understand that some of these police officers have already begun to arrive in Barbados, but I am hoping that they would be properly briefed and trained, et cetera. This morning, on my way here, I was hearing on the radio that some teams want to

come here and walk through Kensington, so that they could psychologically adjust to the fact that they would be playing at Kensington. Therefore, in the same way that the teams would want to do that, I would hope that the police officers would want to go through the society as well, so that they could interact with the people of Barbados, to get some taste of what Barbadians regard as acceptable. We are not professional lawbreakers, this is a very peaceful country, by international standard, but cultural differences could generate tensions and could cause problems where none need arise, if the proper precautions are not put in place.

Mr. President, apart from that, I think that Senator Griffith has properly rationalised the existence of the Bill and the Opposition Party has no difficulty in giving it its support.

Mr. President, I am obliged to you.

Senator the Hon. E. R. GRIFFITH: Mr. President, I do understand the issue raised by Senator Stuart, and I trust that there would be no problem. I must say though that I would be a little surprised if the foreign forces did not get treated better than the locals because we have a strong tendency to dishonour our own and to welcome others. I do take the point made and hope that the persons would be properly prepared for the change in environment and would not operate out of the norm.

Mr. President, this legislation, as I indicated earlier, is going to come to an end at 31st May, 2007. It is only being put in place to ensure that we have the backup support, in the event of any problems, and that we have persons who have the knowledge and experience, who could help us to deal with these situations.

Sir, hopefully, by the time another Cricket World Cup would be staged in Barbados, our people would be properly prepared. I hope too that there would still be some persons remaining in our Police Force or Defense Force, who would have had the experience from this particular one.

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. Madam DEPUTY PRESIDENT in the Chair.

2.50 p.m.

Wednesday, February 28, 2007

(EDITED 04/05/09)

COMMITTEE

MADAM DEPUTY PRESIDENT: The Senate is now in Committee.

Clauses 1 and 2 were called and passed.

Clauses 3 - 5 were called and passed.

Clauses 6 and 7 were called and passed.

Clauses 8 - 16 were called and passed.

Clauses 17 - 20 were called and passed.

Clauses 21 - 24 were called and passed.

The Schedule became the Schedule to the Bill.

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

On the separate motion of SENATOR THE HON. E.R. GRIFFITH, the Bill was read a third time and passed and cited as Visiting Police Forces (ICC Cricket World Cup) 2007) Act, 2007.

ORDER NO. 3 – INCOME TAX (AMENDMENT) ACT, 2007

SENATOR THE HON. E.R. GRIFFITH: Mr. President, the Bill before us which seeks to make amendments to the Income Tax Act, is a result of a number of proposals, which were made by the Minister of Finance in January 2006, when he presented his Economic and Financial Statement to Parliament and to the public. These measures have to do with the introduction of an allowance deductible from assessable income to cover the energy audits done by household as part of the effort to encourage people to become more energy conservation aware and to help to save some foreign exchange by an excessive use of energy. There is an amendment to do with the provision to allow people to claim a deduction in the case of education, an education savings plan, recognising the high cost of education outside of Barbados in particular and the fact that even though it would be good if we could accommodate all of our students in Barbados, that is virtually impossible because we do not have the infrastructure to do so and a large number of people have to go outside of Barbados to find education, which is very costly. Therefore, this measure was introduced as a means of helping the parents to meet those costs. Mr. President, there is also an amendment to do with system, which we now have in place to allow skilled non-Barbadians, who are granted work

permits to come and work in Barbados and they get a tax benefit. Sir, that was taken care of because there were some changes to the existing regime. There was also an amendment to do with the income from rental of units to persons so that effective from income year 2006, individuals, who converted properties to rental units are permitted an initial allowance of 50 per cent on the capital expenditure incurred and the remainder may be claimed at an annual rate of 4 per cent thereafter.

Mr. President, there is also additional change where a flat rate of tax of 15 per cent was imposed on income derived from rental accommodation. These are the changes which came out of the Financial and Economic Statement presented, at that time, by the Minister of Finance. Sir, in essence, this is what the Income Tax Bill before us is seeking to put into effect.

Mr. President, I am sure that all Honourable Members of the Senate are familiar with these changes since they were announced a year ago and, therefore, I do not believe it is a matter that would detain us too long.

Mr. President, on that basis, 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, MADAM DEPUTY PRESIDENT in the Chair.

COMMITTEE

MADAM DEPUTY PRESIDENT: The Senate is now in Committee.

Clauses 1 - 6 were called and passed.

Clauses 7 - 12 were called and passed.

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

On the separate motion of SENATOR THE HON. E.R. GRIFFITH, the Bill was read a third time and passed and cited as Income Tax (Amendment) Act, 2007.

S63/15:00

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Wednesday, February 7, 2007

ORDER NO. 4 – FIRST READING OF THE INTERNATIONAL BUSINESS (MISCELLANEOUS PROVISIONS) BILL, 2007

Mr. PRESIDENT: Senator Griffith.

SENATOR HON. E.R. GRIFFITH: Mr. President, this is the result of the presentation to which I referred during the previous discussion. It seeks to give effect to those issues raised by the Minister then, and accordingly the Bill, is seeking to make an amendment to the enactment set out in the Schedule. There are some changes to the international business sector regime to allow the continuation of those activities, and really in my view is not anything that we need to spend too much on, at this point in time.

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

The question was put to the Senate and agreed to without division.

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

COMMITTEE

MADAM CHAIRMAN: This Senate is now in Committee.

Clauses 1 and 2 were called and passed.

The question was put to the Senate and agreed to.

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

On the separate motion of SENATOR HON. E.R. GRIFFITH, the Bill was read a third time and passed and cited at the International Business (Miscellaneous Provisions) Act, 2007.

ADJOURNMENT

SENATOR HON. E.R. GRIFFITH: Mr. President, I beg to move that the Senate do now adjourn until Wednesday, March 7, 2007 at 11.00 a.m.

The question that the Senate do now adjourn until Wednesday, March 7, 2007 at 11.00 a.m. was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.

15.05 p.m.

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MARVILLE, Senator R.O.
NICHOLLS, Senator G.P.B.
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EDITORIAL NOTES — NOT PART OF THE REPORT

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

EDITORIAL QUERIES

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

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

Q2. Dates in the text. The source gives ‘Wednesday, February 28, 1007’ (28 February 1007 was a Saturday). The weekday and date do not agree; printed as in the source.

Q3. Take-slips about 12.40 p.m. and 3.00 p.m.. Two take-slips are dated ‘Wednesday, February 7, 2007’; the Sitting was on Wednesday, 28th February, 2007, as the other take-slips state. Printed as in the source.

Q4. Headings ‘(EDITED 04/05/09)’. The source carries the line ‘(EDITED 04/05/09)’ three times as a heading (in Senator F. J. Stuart’s and Senator R. W. Grant’s speeches and before the Committee on the Visiting Police Forces Bill); it appears to be an editor’s note. Printed as in the source.

Q5. Orders Nos. 3 and 4, headings. Order No. 3 is headed ‘INCOME TAX (AMENDMENT) ACT, 2007’ rather than Bill, and Order No. 4 is headed ‘FIRST READING OF THE INTERNATIONAL BUSINESS (MISCELLANEOUS PROVISIONS) BILL, 2007’, although the proceedings are the second reading and later stages. Printed as in the source.

Q6. Visiting Police Forces Bill, citation. The Bill is recorded as cited as ‘Visiting Police Forces (ICC Cricket World Cup) 2007) Act, 2007’, with unbalanced brackets; the heading reads ‘VISITING POLICE FORCES (ICC CRICKET WORLD CUP, 2007) BILL, 2007’. Printed as in the source.

Q7. Catastrophe Fund Bill, speech of Senator Sir Roy Trotman. After the take-slip at about 12.40 p.m. the speech resumes mid-sentence with ‘... as the Management Committee by the Minister concerned’. Part of the text may be missing. Printed as in the source.

Q8. Catastrophe Fund Bill, speech of Senator T. E. Barker. Senator Barker opens with ‘Mr. Speaker’ in the Senate. Printed as in the source.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, 28th February, 2007 at 11.00 a.m., with His Honour Senator Sir Fred Gollop, President, in the Chair; prayers were led by Reverend Errington Massiah. The Leader of Government Business, Senator the Hon. E. R. Griffith, laid the Annual Report of the Enterprise Growth Fund Limited for 2005 and the National Strategic Plan of Barbados, 2006 to 2025, Standing Orders 22(1) and 45(2) were suspended, and six Bills were read a first time, among them the Police (Amendment) Bill, 2007 and the Security Assistance (CARICOM Member States) Bill, 2007. Senator Griffith announced that the Accountant-General would brief Senators over lunch on the project to change the Government’s accounting system from 1st April, 2007.

Senator Griffith moved the second reading of the Catastrophe Fund Bill, 2007, arising from the Minister of Finance’s statement of January 2006. It provides cover for persons below the income tax threshold whose houses are valued at not more than \$125 000 and are about 75 per cent wood; he said about 33 000 houses were of wood or wood and stone, about 25 per cent of them insured, out of some 83 000 occupied dwellings. Senator F. J. Stuart for the Opposition welcomed the Bill, linked it to the World Bank facility sought by CARICOM after recent hurricanes, and doubted how a destroyed house could be valued afterwards. Senator R. O. Marville asked whether the \$125 000 was a market or a Government assessment, Senator T. E. Barker raised compulsory insurance and constitutional rights, and Senator I. St.C. Linton raised houses on land the owner did not own.

Senator G. P. B. Nicholls recalled the place of the chattel house in Barbadian life and noted that those covered were mostly weekly paid workers, Senator R. W. Grant supported help for the most vulnerable, and Senator Sir Roy Trotman urged a system worked out with the insurance companies and time for the fund to build up. In reply Senator Griffith said the Bill did not replace existing arrangements, the Committee would take any insurance into account when setting grants, and wall houses below \$125 000 were not covered but the scope could be widened later. The Bill passed in Committee, Her Honour Senator Dame Patricia Symmonds in the Chair, and was read a third time. The Senate was suspended until 2.35 p.m.

On resumption Senator Griffith moved the Visiting Police Forces (ICC Cricket World Cup, 2007) Bill, 2007, to provide backup for local forces during the Cricket World Cup; it would expire on 31st May, 2007. Senator Stuart supported it but noted concerns about the immunities granted and asked that visiting officers be properly briefed.

The Bill passed in Committee, Madam Deputy President in the Chair, and was read a third time.

Senator Griffith then moved the Income Tax (Amendment) Bill, 2007, giving effect to proposals of

January 2006 including a flat rate of tax of 15 per cent on income from rental accommodation, and the International Business (Miscellaneous Provisions) Bill, 2007. Both passed without debate. On his motion the Senate was adjourned until Wednesday, 7th March, 2007 at 11.00 a.m.