
THE SENATE DEBATES

(UNOFFICIAL REPORT)

PARLIAMENT 2008 – 2013

THE SENATE

Wednesday, March 2, 2011

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, March 02, 2011, at 11.23 a.m.

PRESENT

His Honour Senator Dr. BRANDFORD M. TAITT,
B.A. (Hons.) M.P.A., LL.B.(Hons.), D.H.L.(Hons.)
(President)

Her Honour Senator Miss KERRYANN F. IFILL,
B.Sc.(Hons.), M.B.A.
(Deputy President)
(Deputy President)

Senator the Hon. Miss M.P.O. McCLEAN, B.Sc.
(Hons.), M.A., M.B.A.
(Minister of Foreign Affairs and Foreign Trade)
(Leader of the Senate)

Senator the Hon. H.LaV. BENN, E.M.B.A.
(Marketing), J.P.
(Minister of Commerce and Trade)

Senator the Hon. D.W. BOYCE, B.Sc.(Econ.),
M.B.A.(Fin.) CMA., FCA.,
(Minister in the Office of the Prime Minister with
responsibility for Energy, Immigration,
Telecommunications and Invest Barbados)

Senator Mrs. I. SANDIFORD-GARDNER, CIM,
Dip.Mng., M.B.A.,

(Parliamentary Secretary, Ministry of Health)

Senator J. INCE, J.P., BB.A., M.B.A., DIP (Mgmt.)

(Parliamentary Secretary, Prime Minister's Office)

Senator H.A. HUSBANDS, M.L.I.R., B.Sc.
(Pub.Adm.) (Hons.) Ed., Cert., (U.W.I.)

(Parliamentary Secretary, Prime Minister's Office)

Senator P.W.B. GILKES

Senator R.A. HUNTE, J.P.

Senator Rev. Dr. D.L. DURANT, D.D.(Hons.)

Senator A.R. WORRELL, B.A.(Hons.)

Senator K.D. SYMMONDS, B.A., LL.B.

Senator Miss S.J.O. BRADSHAW, LLB.(Hons.)

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

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

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

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

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

Senator J.A.C. HUTSON

Senator R.G. CAVE, CBE., B.C.H.

Prayers were led by Rev. Father Errington Massiah.

Mr. PRESIDENT: The Senate is in Session.

ANNOUNCEMENTS BY HIS HONOUR THE PRESIDENT

Mr. PRESIDENT: I have an excuse from this Sitting
for Senator Peter Gilkes. I have reason to believe that we
have received before an excuse for Senator Sir Roy
Trotman.

PAPERS

Senator M.P.O. McCLEAN: Mr. President, I am
commanded to lay the following:

1. Financial Statements of Caribbean Aircraft
Handling Company Limited for the Year ending
March, 21, 2006. 2. Consolidated Financial
Statement of Caribbean International Airways
Limited for the year ended March 31, 2006. 3.
Non Consolidated Financial Statements of
Caribbean International Airways Limited, for
the year ended March 31, 2006. 4. Annual
Report of the Barbados International Business
Promotion Corporation, Invest Barbados for the
year 2010.

SUSPENSION OF STANDING ORDERS

Senator M.P.O. McCLEAN: Mr. President, I beg to move that Standing Order 45(2) be suspended for the remainder of this Sitting.

The question was put to the Senate and agreed to.

INTRODUCTION OF BILLS

Senator M.P.O. McCLEAN: Mr. President, I beg to move the first reading of the following:

1. The International Corporate and Trust Services Providers Bill, 2011. 2. The Barbados Drug Formulary (Validation) Bill, 2011. 3. The Companies (Amendment) Bill, 2011. 4. The Immigration (Validation of Functions) Bill, 2011.

The question was put to the Senate and agreed to.

PUBLIC BUSINESS

THE INTERNATIONAL CORPORATE AND TRUST SERVICES PROVIDERS BILL, 2011

Mr. PRESIDENT: Senator Boyce, you have the Floor.

Senator D.W. BOYCE: Thank you, Mr. President.

Permit me, Mr. President, to read the second reading of the International Corporate and Trust Services Providers Bill 2011. This Bill, Mr. President, has been a very long time in the making, work having started in 2005, and there has been wide and extensive consultation with the participants in the international business sector before we have come to this stage of bringing this Bill to this Chamber.

Mr. President, this Bill, the International Corporate and Trust Services Providers Bill, 2011 covers the corporate services provided by to international companies in the area of company registration and in the area of international trust registration. The Bill covers those companies and those trusts that are incorporated under the International Business Companies Legislation of the country and does not extend to the domestic companies.

It is important, Mr. President, that this bit of Legislation which I am sure we will find common ground, is passed because we have over time, received various comments from the regulatory bodies and the Caribbean Financial Action Task Force and so on, about the absence of knowledge of some areas of our international business company regime.

This Bill then, provided us with the framework for improved regulation of the providers of services to the international business companies and the international trusts, whether those providers are firms or individuals or companies. It gives to the Director of International Business the power to issue licences or to vary those licences.

11.33 a.m.

It gives to the Director of International Business the power to issue licences or to vary those licences and the power to inspect the operations of service providers. It gives to the companies that purchase those services the assurance that there is reasonable good order in terms of the people who provide this service to them. In a sense, Mr. President, this attempt to improve the regulatory oversight over those companies and firms that provide services to international business companies is an attempt to make sure that our policy is one more of prevention of incidence of poor performance in the sector rather than one of dealing with cures.

The Bill, Mr. President, has as its objectives to promote and maintain high standards of conduct, ethics and competence in the provision of international services. International services is defined in the Bill as the registration of corporations and international trust in the licensing of those businesses. The Bill also aims to ensure that our international service providers adhere to modern internationally accepted standards of best practice.

Mr. President, like what we have done in this Chamber not so long ago for the medical profession and the nurses, we are aiming to make sure that the service providers in an economy, which is so heavily driven by services, are operating to the best international standards which exist and to ensure that those people who depend upon these services have the assurance that those standards are going to be met and going to be observed continuously. This is important if we are to continue to engender confidence in our economy as a services economy. We must be able to repose confidence in the service providers in this economy.

Mr. President, the Bill would provide for the establishment of procedures and policies to be followed by international service providers to enable those international service providers to know and to be able to identify and verify the identities of their clients and to exercise due diligence in the provision of international services.

Mr. President, you would recall that we have spent some time in this country over the last several years in trying to make sure that our anti-money laundering arrangements are up to par and that the financial institutions and other institutions that deal with financial

transactions know who their customers are and are able to verify the beneficial owners of funds that move between institutions. This Bill continues that effort to make sure that the people who perform international corporate and trust services also know who their clients are and who are the beneficial owners behind companies and trusts that are set up.

It is a normal practice, Mr. President, in the profession where I used to practise, the accounting profession, certainly among international companies. As a matter of fact, it was mandatory to know who the clients were that you were dealing with. You would be required to refuse assignments if you could not show that you knew who the clients were and what their businesses were before you move forward.

Mr. President, this is an effort to make sure that those persons who provide services to international business companies know who they are providing services for ultimately. Of course, it protects them in the sense that once they have done their due diligence and done all they can to make sure they understand who it is they are providing services for, they would have discharged a lot of their responsibility under the anti-money laundering regulations of the country.

Mr. President, it is important for the providers and for the country to keep its name clean by making sure its service providers know who they are doing work for and therefore refuse to do work for persons who are not of the proper quality that we want in the country. It protects the international business companies because they know that they would not be subject to any... We are taking steps to make sure that they are saved from anti-money laundering type operations.

Mr. President, the Bill also will promote the operation of international entities in Barbados and protect the interest of those entities who are the international service providers through licensing and supervision of the international service providers. The Bill aims therefore to safeguard the reputation of Barbados as a premier institution for the operation of international business.

The Bill has as one of its objectives the ability to detect and prevent any illegal activity within the international service sector, particularly the activity of money laundering and financing of terrorism. You would recall, Mr. President, that the issue of financing terrorism through international companies and so on became a very great import about ten years ago when we had the September 11, 2001 disaster in the United States of America.

Mr. President, the Bill provides that the Director of International Business will be responsible for the

administration of the legislation subject to general direction and control of the Minister as would be expected. Those functions of the Director include monitoring and examining the businesses of international service providers to determine whether those international service providers are in compliance with this legislation and the receipt and investigation of any complaints by the Director made against international service providers in the taking of appropriate action in respect of such complaints.

Mr. President, you would note that the service providers are required to have a procedure for handling complaints from clients or from other persons so as to be able to deal with those complaints satisfactorily so as to make sure that the level of service provided through those international business companies is of the right level that we want.

Mr. President, with this Bill, persons who are not licensed to be international service providers would not be permitted to carry out those functions. There is in the legislation a severe penalty for persons who are not so licensed to purport that they are able to do these services. All of our service providers to the international business community would be required to obtain a licence issued by the Director.

The legislation provides that the Director can issue such a licence once the Director is satisfied that the applicant for that licence is a fit and proper person to provide an international service and that the applicant has the financial standing necessary to operate the business. Mr. President, the issue of the financial standing is important because you got to be able to afford the staff to be able to do the due diligence and to do the services that you are being asked to provide which would require some level of financial standing in order to operate the business. The applicant for a licence must have a representative resident in Barbados to do that work.

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11.44 a.m.

The Bill at Clause 3(c) sets out where the Director is satisfied that an applicant:

(c) is or has a representative, who is resident in Barbados;

(d) is not an international entity.

Sir, those licences will be valid for one year to December 31st and will be subject to yearly renewals. The Director will be able, if he considers it necessary and has evidence, to refuse to issue or to renew a licence. Sir, that is important because once you find that somebody is not

performing at the right level, once you have done your investigations and have given them time to correct that weakness and they have not been able to do so, the Director must be in a position to revoke that licence, so as not to cause problems within the sector.

Mr. President, what does the International Service Provider have to do under this legislation? The International Service Provider must keep adequate records of his accounts, of his clients' monies and of what he does with his clients' monies. He also has to keep adequate records of the clients and the various information about those clients. That is important because when the Financial Investigations Unit needs to do a search, it must be able to find the information about those clients with whom this service provider deals.

The service providers, if their revenues are over \$2 million, are also required to have an audit done by one of the auditors approved under the Companies Act. That also begins to give you the assurance that the accounts of the service provider are in good shape but also has the agency functions. The role of the service provider in managing clients' accounts is properly executed and so the accountants would have to issue his opinion as to how those accounts are being managed.

The service provider would have, if required by the Director, to provide the records or any other information to the Director. He is also required to notify the Director of various changes in his operation. If, for example, there is significant change in staff or directorship of his organisation, he would have to let the Director know because when the Director makes that determination about whether or not a licence will be issued to the service provider, the Director takes into account the partners, the managers, the members, the directors and the officers of the firm. The Director also takes into account the educational and professional qualifications of the staff and of the applicant for the licence. The Director takes into account, if the person is a member of a professional body, the knowledge of the person, the legal and other professional responsibilities when assumed by the firm. The Director also takes into account any evidence that the person has contravened any law as a result of incompetence or what-not.

Mr. President, any changes in the staffing of the International Service Provider or of the directors of that company have to be notified to the Director of International Business Sector, so that the Director, at all times, is well-placed to make a judgment as to whether or not that company or firm ought to continue to provide that service.

Mr. President, similarly, if a director of the International Service Provider is disqualified for any reason to serve as a director, that has to be notified to the Director

of International Business. If there is a merger or takeover being planned for the International Service Provider, that must also be notified to the Director of International Business. If the service provider is unable to continue in business, that too needs to be notified to the Director of International Business. If the client for whom the service provider works has committed a crime and has been found guilty, that also needs to be communicated to the Director of International Business. Of course, whatever action the service provider intends to take, once that has come to his knowledge, has to be reported to the Director of International Business.

When the service provider ceases to do business with a client, that too must be reported to the Director of International Business, so that at all times the Director of International Business is able to know which clients for whom you are not working and those for whom you are working. Mr. President, when you cease to have a relationship with any client, you are required to keep the records pertaining to that client for five years after you have ceased the relationship. You are required to make sure that if your client changes his services provider that you are going to pass over the client's records in a seamless way, so as to make sure there is no trouble for the client, in terms of his ability to continue his operations in the country.

Mr. President, the legislation also requires the service providers to carry professional indemnity insurance, which is a good thing because it protects the service provider. Sir, if any loss is occasioned by the client because of any action of the service provider, he does not have, at that point in time, to find the funds to compensate the client. His insurance will do that for him. Of course, one has to follow the rules of the insurance very carefully.

Mr. President, this is very important because particularly where you have worked through a firm or company, where you believe that all your people are up to mark and are doing the right thing, on occasions there will be things that could slip through. Those things could cause you or your client harm and therefore you need to be in a position to be able to have that professional indemnity insurance to help you out. Mr. President, the other thing is that once you go into buying professional indemnity insurance, the premiums you pay will depend upon the insurer's view as to the adequacy of the controls that you have inside your business. If the controls are good and you have a record of not making many mistakes, then your premium is going to be considerably less.

Mr. President, in my prior career in the management consulting profession, I have found it a very comforting thing to know that I was insured because if something went wrong, you would not have to sell all of our assets to pay the client. It is not necessarily a cheap thing but it is a very worthwhile insurance to carry, once you are out in the commercial world.

Mr. President, the legislation also requires the service provider to comply with the Code of Practice, found at Schedule II to the Bill. In complying with that code of practice requires that the service provider knows his customer and client; that he knows the beneficial owner of any company or trust which belongs to his clients, so that he can go beyond the corporate veil, if he has to, and deal with the money laundering situation.

The legislation also requires that the service provider has a written agreement with each client for the service he provides to that client, so that you minimise the area of contention in relation to the charging of fees and how you are handling the client's fees. Those charging arrangements are set out, the way in which you deal with the accounts are set out, the fact that you have to pay interest on client's accounts, if those accounts are held for more than 30 days is important. That is part of the Code of Practice. It is also required that where the service provider happens to have two clients competing with each other, that service provider has to let both clients know. He also has to give up both clients, so as to make sure that he is not placed in a conflict of interest position and that he does not prejudice any one client over another.

11.54 a.m.

Sir, there is this code of ethics that they have got to comply and the legislation goes further and requires that the service provider should not run his operations in such a way as to be detrimental to the public or to his client. Sir, it is very specific. The operations of the service provider should not be run in a way to hurt the client or to hurt the interest of the public. Sir, that is important to make sure that people are, at all times, conscious of the external effects of their actions with their client.

Mr. President, the Act also requires that any advertising that is done by the service provider is fair, that it is accurate and that it does not damage the reputation of Barbados as an international business jurisdiction which means that, once again, outlandish advertising, advertising which may skirt the boundary between soliciting and truth would not be permitted and, therefore, that would make sure that the reputation of Barbados remains intact.

Mr. President, in terms of administration of the Act, the Director of International Business is empowered to examine records and the affairs of the international service

provider for compliance with the legislation and with any directives that the director may issue. Sir, the director, he or she looks at a service provider, and find something amiss, is empowered to issue directives on the correction of those matters and so the director is, therefore, empowered to followup to see that those directives are being carried out and to make that the licensee is following the conditions of the license which is issued because once the director issues a license with certain conditions in it, those conditions may vary depending upon the quality of the application that is made.

Mr. President, the director is also empowered to impose monetary penalties for failure to follow the legislation, for failure to follow directives and the director empowered to refuse to renew or to revoke licences. Further, Mr. President, the director must keep a register of licencees and must make sure that register contains notice of the revocations, of renewals and so on, so that register would give one a clear view as to who are the service providers in the country and what state they are in, in terms of relationship with the Director of International Business.

Mr. President, the director may also make guidelines as to standards of operations for international service providers to follow. Sir, once again, this is an attempt to make sure that there is some uniformity of quality throughout the industry providing services to the international business sector.

Mr. President, for those persons who are already operating within the sector as service providers the Act would provide a grandfathering Clause that for six months they are enabled to continue while they get their applications for them to continue. Sir, there are one or two exemptions. Sir, those people are under the Financial Institutions Act, those persons are exempted but not the subsidiaries that they form to run these special services, those ones would not be exempted.

Mr. President, I believe that this legislation would be very good for service providers and that it would help them to protect themselves better. Sir, that is important in the service that they are providing.

Sir, when they are providing those services for the international business companies, and international businessmen tend to be a lot less forgiving than local business persons in terms of the quality of the work that they expect from you and you read of cases of suing auditors overseas, suing lawyers overseas and everything and you have to be very careful to make sure that your procedures are the best that they can be so that, at least, you can show to all and sundry that you have done the best you can do to protect the interest of the clients and to preserve your own business. Sir, I think that would be good for service providers to live to the standards that we have it. It

would be good for them too because they are going to be required constantly by the director to adhere to the best standards of service that exists in the rest of the international business community when they are providing the services to that sector.

Mr. President, many of the things that the Act would require are being done as a matter of course by a number of the major international service providers. Sir, like I have said, certainly, I know that international accounting firms do and I expect that many of the large law firms also do it and I believe that as we develop the sector, over time, that more and more of our service providers are already here or very close to here, and a large part of this is to make sure that those who are not there get to that standard that we want them to get to and that we give a level comfort to the international business community that we are delivering a service of quality.

Mr. President, I do not think that this legislation will have any negative impact on the sector on our service providers. We do have the grandfathering Clause which allows people six months to bring things up to scratch and I am sure that most people will get there. (7:43)

Mr. President, this piece of legislation is important for the country also because the international business sector is important for the country. We do not have very precise measurements of the level of contribution of the sector to the economy but, Sir, we have heard references that suggest that as much as 60 per cent of our corporation tax revenues come from the sector. I think that is the figure we have all been hearing and, Mr. President, that translates into a lot of money probably around \$200 million to \$250 million per year in revenue and, Sir, that is an important bit of revenue to come to the country and, Sir, even in the tough times that the international business community has faced since 2007, they have still been contributing very substantially to the tax revenues of the country. Of course, the profits would have gone down because the financial markets in which they operate and from which they come would have suffered very drastically and so they would have felt the effects in their operations here, both in terms of the amount of capital that comes into the operations here and in terms of return that they may have been able to make on the investments that they are making.

Mr. President, we have also heard that as many as three thousand people are employed in the sector. Sir, I understand that number is just an estimate. We have not been able to do the full count but three thousand persons employed in any sector in Barbados is still a very reasonable number of persons and I would expect that most of the persons who work in that sector are Barbadians and would probably earn incomes that are rather higher than an average around the rest of the country. Sir, that is an

important number of people and an important level of income they are earnings.

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Sequence 4

Mr. President, more important, it offers opportunities for a lot of our young bright people in Finance, Accounting, Law and different areas of law and so on, to get into an international area, where they are working with our international professionals. They work with people from all over the world sometimes, learning the new transaction types that are occurring within the rest of the world. That builds up our capacity as a people to do more work and to go further. Sir, already we are known as a country with a wonderfully good educational base. Our people are known for their good educational base, which helps to build upon to make sure that the country becomes stronger and goes forward better. So that is a very important part of the International Business Sector, which helps to develop our youngsters as they go forward in the rest of the world.

Mr. President, we know the linkages between the International Business Sector and tourism. When people come to hold their meetings and so on, there is the link with the accountants who are the auditors and who provide services for them; the lawyers, utility companies, the rent providers, who provide premises and so on, so its linkages are also quite broad. Hopefully we will soon get these and reach the stage where we can get a full evaluation of the size of that sector for the country.

Sir, it is an industry that we constantly have to fight to maintain. We have to fight to maintain it because we compete with other jurisdictions that offer low taxes. We compete with jurisdictions with no corporation taxes. Sir, our strategy, and it has been a national strategy by both administrations, has been to raise the strategy of double taxation agreements, low tax arrangements, supported by a very strong regulatory regime, a very clean reputation in the country with quality skills and good service delivery, in order to compete successfully with the rest of the world. We have done so for the most part quite successfully.

Sir, as you know, back in the late 1990s, the Organisation for the Economic Corporation Development, (OECD), principally European nations and some others began an assault upon what they called tax havens, and they lumped into tax havens those people that had no taxes as well as those countries that had low tax jurisdictions. They lumped us into that grouping. It was after a very vigorous and strong coordinated and national effort, we were able to get them eventually to say that Barbados was not one of those countries with harmful taxation. Of course, the fight moved from being one of harmful taxation and

low taxes to one of tax transparency. Were you a secret jurisdiction? The jurisdiction now is based on secrecy. Were you a jurisdiction that would exchange information on taxes, bank accounts, and so on, with tax authorities from other jurisdictions? So the goal post kept shifting.

Sir, you will recall that in 2009 when the OECD came out with their three lists of people who were substantially compliant with good tax information. Barbados was on top of the list. Now the global forum, which comes out of the OECD has chosen to say our system of double taxation agreements does not really accord with what they wish us to have, that we do not have the tax transparency that we should have. As you know, following the OECD rulings, the OECD came up with the proposal that we should all have at least twelve double taxation exchange agreements with the OECD, nine for tax information exchange, or we should have tax information exchange agreements. Those agreements, of course, would require you to exchange information on all companies, whether they are under the IBC legislation or other legislation and exchange bank information, and any information you have to exchange that another jurisdiction request. Sir, since then, we negotiated several additional double taxation treaties, which contained the tax exchange language which the OECD would like to have.

Mr. President, when you do a double taxation agreement, what you sign off on, you depend on the Parliaments of the country to ratify that agreement and therefore bring it into law. Until that ratification is done, the taxation agreement does not become operative. So notwithstanding we have done several of those agreements in the last couple of years, many of those agreements have not yet been ratified by the other parties. Although those double taxation agreements include the requirements of the OECD, in terms of the tax information exchange, because they have not been ratified, the global forum considers us to have failed the Phase 1 test. We are not transparent enough and cannot go through to Phase 2. Sir, Phase 2 involves looking at the actual exchange of information, how a country provides information as requested. Of course, for many countries with signed Tax Informational Exchange Agreements, TIEAs, this is the first time they are signing those agreements and so they have no experience in exchanging information with the countries.

Mr. President, we found a way to deal with this problem. We feel that if we did not do anything to deal with this categorisation, it would hurt our industry. We have engaged in consultations with the sector. We have engaged in consultations with the various ministries and we have agreed to make some changes to various parts of our legislation, which essentially will help Barbados to unilaterally declare that it would exchange information with those persons who may have DTAs, those persons with whom it has agreed DTAs, but they have not yet

signed, and to those persons who have agreed to have DTAs with Barbados. Sir, where there is no agreement with the Tax Information Exchange Agreement (TIEA), you obviously would not exchange information.

Sir, we feel that by doing this, would send a signal that we could be asked to exchange information right away and would exchange information to show everybody that we have nothing to hide and we are prepared to be transparent in respect of the exchange of tax information. Once we have done that we would launch a very serious and vigorous media campaign. We have launched some of that already, articles in leading journals and so on. We will launch a diplomatic offensive to our friends who have supported us at all times to make sure that they support our effort to get the global forum to accept that the changes we now make will say to the world that we are serious about Tax Information Exchange Agreements. Sir, we will use our international fora as our means to articulate our case that Barbados is to be seen as a fine example of tax transparency in the country.

Mr. President, we do have these issues to deal with. We are dealing with them. We will continue to deal with them until they are resolved, but we also know that once that problem has gone away, something else will come up. Therefore, we will continue to be alert and try to stave off all these great efforts that have been made to, once again, hurt the International Business Sector of the developing world.

12.14 p.m.

Sequence 5

It is an irony that the same people who encourage the Caribbean and other areas to move out of mono crop agriculture and commodity exports to go into service development, including financial services development are the very ones who now pillory Barbados and other countries when they have done so and done so successfully.

Mr. President, we are making a national effort to continue to fight this kind of invasion on our sovereignty and we will succeed as we have before so Mr. President, I very much commend this Bill. I think it does a lot for the international business sector, it does a lot for the people who provide international corporate services and international trust services.

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

Mr. PRESIDENT: Senator Symmonds.

Senator K.D. SYMMONDS: Thank you very much, Mr. President. I would wish at the beginning, Sir, to signal

a few things. One of which is that I am of the view that there is much matter to be dealt with in this particular debate, in which let me also say the Barbados Labour Party will not take issue with the Government on reasonable steps that the Government is taken and so, there will be no divide on this piece of Legislation.

We do feel however that there are significant issues arising both from the general principles to which Senator Boyce alluded, when he commenced his presentation and also, Sir, to the broader macro concerns, with which Senator Boyce ended his presentation. I should also signal to you that I am of the view that the driving factors, in terms of the macro concerns behind this International Trust and Service Providers Bill, as well as the Companies Bill, which is also on the Order Paper for today, are quite similar at a macro level.

Sir, for the purposes of the economy, I will speak as extensively to this, rather than repeat myself on what is largely similar matter, later on in the day. Mr. President, as I indicated to you, there is really no disparity of opinion or no substantial disparity of opinion arising out of the concerns which have been laid before the Chamber by Senator Boyce, especially with respect to the regulatory bodies. Sir, whether they be the OECD or the Financial Action Task Force, the bottom line is that there is a burning concern in the international community about the need for there to be knowledge of, and an ability to identify the beneficial owners of finances, whether they be existing under charitable arrangements, whether they be existing under settled trusts, whether they be existing in company structures. Whatever the format used or whatever the vehicle used, there is a need to get to the question of transparency, with respect to those who are the beneficial owners of finances and there is also the related concern about exchange of tax information.

Mr. President, the Minister of Finance has, in the other place, indicated that the Government was perhaps caught with its pants down and that is a position with which I certainly am not going to take issue. I commend the Government however for trying to move with some dispatch in order to correct this situation.

The Barbados Labour Party's leader has already indicated, Sir, that whatsoever reasonable steps the Government proposes to take, will be supported by the Barbados Labour Party, with a view to supporting the national urgency and national importance of this matter. Senator Boyce is absolutely right, Sir, when he says that on average about 60 per cent of Barbados' Corporation Tax take comes from the International Business Sector. In fact, Sir, if you go back to look at 2000 to 2008 it on occasion has gone as high as 63 per cent or 65 per cent of the Corporation Tax take. Simply put, it therefore is Barbados' businesses. It is the way in which we pay our salaries and

wages. It is the way in which we support, in large measure, the very extensive social network infrastructure that this country enjoys. Therefore, that revenue stream is at the heart of the way of life that Barbadians have come to understand, expect and to enjoy. Sir, it is vital therefore to have the fullest possible defence and promotion of the sector but I think it is also important for me, Sir, to indicate to this Chamber, the rationale which causes the Barbados Labour Party, above and beyond the simple nationalistic consideration to support this measure.

Mr. President, we have to understand a few things. Back in 2007 when, some perhaps shortsighted, some may say misguided individuals sought to jaundice public perspective with the view that there would be a very easy way for us to enjoy long-term or even medium-term financial prosperity and harvest of investment simply by a change of Government.

We in the Barbados Labour Party were saying that Barbados, like the rest of the Caribbean, was facing a very severe medium-term economic situation and that medium-term economic situation required us as a country to do a number of things. We had to be very consistent in terms of policy formulation and policy implementation. We had, Sir, to be very certain and decisive about policy measures and steps that we were prepared to take. Mr. President, we had to understand that there was an urgency.

I have spoken in this Chamber before, Sir, to the fierce urgency of now, and that is, the time in which we live. There is a fierce urgency, Sir, and connected to that, there is the requirement for us to keep on coming up with creative responses.

We felt, Mr. President, and still feel and I am happy to see that the Government has begun to speak the language of a Government that also feels that the Caribbean, and Barbados is no exception, is facing challenges, Sir, of really what are now a two-prong nature. I think it was reasonably foreseeable from as far back as mid 2005/2006 that we were going to face challenges to our development, which were unprecedented and would be thrown in our path by entities to whom we previously looked for support, in that whole developmental paradigm.

Mr. President, if you cast your mind back to 2004 for example, you will see that the development, so-called of globalisation was one area in which it was easy to forecast that there was a change, a paradigm shift, in the way in which we will have to do business and that the aged old certainties and traditions about who you could rely on in terms of an alliance and a developmental partnership, all of those things had to be revisited and reconsidered.

Mr. President, if you cast your mind back to 2004 you will recall that Australia, Thailand and Brazil mounted an

unprecedented challenge against the market access to Europe by the African, Caribbean and Pacific states for sugar and that the consequence of that was the destruction of the sugar crop in these islands here and similar proportions in the islands of the Pacific.

Senate A41, sequence 06, 12.24 p.m.

We will recognise that back in 2006 there was another issue that we were going to face above and beyond globalisation because the global economy, which had rested on certain traditional principles, was beginning to ossify and we saw the shift in price structures and the surging of prices with agricultural commodities such as grain going astronomically high in 2006/2007 and the same principle being applied to industrial commodities like steel. It was therefore very clear that those were the challenges which we were facing not only then but which quite frankly were likely to continue to come back to haunt us. The net result of all of those changes was going to be simply whether a country was developed or whether it was developing.

We were now going to enter into a new way of life in which the developed countries of this world and the developing countries of this world were going to compete fiercely with each other for market access and for each other's share of global business. That was, certainly from our perspective, reasonably foreseeable. If there has been a failing, it has been that the country has not paused and allowed itself to think through and indeed to talk through this fundamental transition in the way in which we have to exist in Barbados and by extension the way in which we have to exist in the Caribbean.

Sir, life as we came to know it realistically started to come to an end way back in 2004/2005 and what we are seeing today is part of that fierce aggression, that competitive spirit.

I am not going to hide the fact, Sir, that there is a grim reality which is facing the international business sector in Barbados today which is under a two-pronged attack. Senator Boyce has spoken to the Organisation of Economic Cooperation and Development but equally the former mother country, the United Kingdom itself, has determined that as of the 1st of April, 2011, we would be deemed to be a jurisdiction with which the United Kingdom expects difficulties in obtaining tax information.

Sir, not only is it at the institutional level of the Organisation for Economic Cooperation and Development, it is also at the bilateral level with one of our oldest partners, in fact, the mother of this little nation that is called Barbados. When you can be placed on a listing by the United Kingdom of all people, the United Kingdom with whom we had our very first Double Taxation

Agreement formed and shaped in 1970 - but that paradigm shift has been so fundamental that the United Kingdom now has not only joined but has singled out and said: "Look, Barbados is one of those countries with whom we expect difficulties" literally blacklisting us. You understand therefore, Sir, the challenge that you are up against. Mr. President, I make the point again that if we have failed as a country and as a society - it is not about Government right now, it is now about national interest - it is because we have not paused to talk this country through that which is international business so that there is an understanding that it is not some amorphous and difficult to conceive entity that does not impact on the carpenter, does not impact in any way on the security guard, means nothing to the journalist nor does not trouble the Clerk of Parliament; it is not true. International business is the way in which we butter our bread.

Mr. President, let us quickly come to understand that we have relied for too long on that old horse called tourism and that if properly exploited and developed the international business sector would well surpass all of the tourism gains.

Sir, it is necessary, I think, to reinforce the point of talking and walking this country through the vital importance of understanding the international business sector and what it means to Barbados. It pays our wages and bills and maintains our social security network.

We have, Mr. President, to understand that in the same way the international community says to you in international trade that the word protectionism is a word to be consigned to the rubbish heap of history and that the new word is reciprocity and in the same way that they say to you in the international financial capacity that a consensus has sat somewhere in Washington and come up with the view that a prescription for development is a hat that would fit every single country irrespective of that country's historical reality and cultural reality, one size would fit all, then we have to understand the extent to which we are living in a hostile and unfavourable global economic environment.

I make the point repeatedly that the key thing to this is for the country as a whole to understand it and for the country as a whole to start to talk about it and in that way we could then work out solutions which the country as a whole is buying into. We have come to the solutions down the road because I have heard Senator Boyce start to speak to some of them.

The reality, Mr. President, is that, I think it was John F. Kennedy who said it, change is a law of life. Those of us who look to the past and those who only look to the present will fail to grasp the opportunity of the future. However

much we may like it or dislike it, change is the reality that is upon us and we have to fit into it.

Mr. President, there is a feeling, I think, that the Organisation for Economic Cooperation and Development is the principal offender for want of a better way of putting it. I would want therefore to speak to some length about the Organisation for Economic Cooperation and Development situation. The Organisation for Economic Cooperation and Development has placed us in a situation in which we went through what is called a Peer Review Assessment.

Senator Boyce spoke about the original confrontation we had with the Organisation for Economic Cooperation and Development. Subsequently to that, it reconstituted itself, it claimed to become more participatory. In fact, we may well have been hoodwinked because you put more countries around a table, there are more national flags represented and so therefore you believe automatically it has become more participatory in nature and therefore it should also be more transparent in nature, so one would think. There is perhaps a false logic to that and if you are allowed to buy into these things too easily you can get duped. I suspect that is what the Minister of Finance meant when he talked about the Government being caught with its pants down.

This newly constituted and expanded global forum of the Organisation for Economic Cooperation and Development subjected us to a Peer Review Assessment and then all of a sudden they said to us, even though they told us two years before that all was well, well, you cannot get past Phase I of the Assessment because there is a lack of transparency. Indeed, I think the exact line that they used is that we were a jurisdiction with an unsatisfactory and inadequate level of legislation in the area of transparency and exchange of information with respect to international tax cooperation.

Mr. President, feeding from that, there is an assault to be mounted therefore on the legislative network, which is effectively the domestic tax structure we have in Barbados, the domestic legislation such as this one we are now debating, which supports different types of vehicles. Whether it be a trust of an international nature or whether it be a simple company, there are a whole range of vehicles to which people will do business and to which money will pass.

Mr. President, even though I say to you that the Barbados Labour Party will support the Government, we also have, as an Opposition in this country, to speak candidly and sincerely to weaknesses in our arrangements where we see it, not with any malice, because quite frankly, we would have presided for 14 years, as they like to say on that side, over those set of arrangements.

Senate A41 Sequence 7

12.34 p.m.

Mr. President, what has changed is that in 2008, after we had demitted office - and I will repeat it again for emphasis - in 2008, after we had demitted office, the Organisation for Economic Cooperation and Development States came up with what was called a model piece of legislation. Sir, that model piece of legislation became the new litmus test, that almost scientific test, with certain types of language written into it. Sir, against that litmus test, against that language used by the Organisation for Economic Cooperation and Development States, we all now stand to be judged and possibly condemned. Sir, that is hardly fair.

Mr. President, I understand the argument of the Government and the policy followed by the Government was precisely the policy which was followed by the Barbados Labour Party when it was in Government, and that is that we saw the double taxation agreement as something of a developmental nature. It is a trade and investment agreement. It speaks to something far larger than the exchange of tax information. It speaks to the way in which we are going to do business, if we approach a country called Malta and we say to Malta we want to do business with you but this is how we are proposing to do the business, we want to have trade, so that our business people can visit Malta, that they can establish companies and form partnerships, et cetera. We say to them this is how we see our development in the future but above and beyond all of that, the Organisation for Economic Cooperation and Development States said you have to be nimble, you have to be able to move with the speed of light almost. Sir, that is where this new thing that Senator Boyce has referred to, the Tax Information Exchange Agreement, becomes such a vital part of the arsenal.

Mr. President, if there is a failing I think it is this, though it was not immediately a requirement or in fact, it was realistically foreseeable that we would come to this stage ... Sir, quite frankly, and I would say so now, I never thought the day would dawn when the United Kingdom would look on "Little England" and blacklist it. I never thought the day would dawn when the United Kingdom, having encouraged Barbados, as Senator Boyce has said and quite rightly so, to walk away, Washington did it too. They said to leave the monocultural activity called sugar cane behind and look to a future in the services sector. They said to speak specifically to financial services, that they have a lot of people who want to come down here and enjoy the sea, sand and hospitality but at the same time, they want to do business here and that they will set up structures, so that they can do business with Barbados. Sir, that is what they said, they then turned around and undermined you when you do it well and in some instances

better than they can do it themselves. Mr. President, that is what this about. I go back to the point I made at the beginning. There is a fierce spirit of international competitiveness out there and little developing countries and large developed countries will now have to fight for their share of the global market. Sir, we better believe it, it is not going to change, that is how it is now.

Mr. President, the reality therefore is that the utility of the Tax Information Exchange Agreement became something of a critical nature and if the Government is to be faulted, I think it is to be faulted in this way, that the Tax Information Exchange Agreement does not, in and of itself, negate the opportunity to use a double taxation agreement as a developmental tool. Sir, if it is that the Organisation for Economic Cooperation and Development States is saying to you, as a matter of their reconsideration of the way in which business must go, that they feel we have to be as transparent as possible, then I think you have to understand there is merit in the view that you also need to be as nimble as possible.

Mr. President, I do not think there is any principle of international law which will say... Let me say this up front, there are some countries that will tell you, when you go to negotiate, that they are not doing any double taxation agreement. Sir, they may say that because they are not interested. There are some countries that will say they only want to do a Tax Information Exchange Agreement. Sir, happily, that does not represent the vast majority or all of the world and it is possible to sit with such States who understand that small economies need to develop, who understand that small economies need to trade, so that their people can eat too, and who understand that small economies that are well-managed, such as Barbados has been and I would wish to say is now, can also develop, and that you use the Tax Information Exchange Agreement purely for the purposes of facilitating your nimbleness and speed of exchanging information requested, so that you can come back and work out the broader arrangements.

Mr. President, I want to say that one of the things we needed to understand was that... Sir, I am going to put it this way, when I sat where Senator Durant now sits, back in 2001, an issue came up.

Asides.

Senator KERRIE D. SYMMONDS: In relation to you, Sir. I sat where Senator Durant now sits. I sat on what is your right-hand side but you were not there then, you were in the Other Place.

Mr. PRESIDENT: Just spare me as you debate, just spare me, I beg you.

Senator KERRIE D. SYMMONDS Mr. President, perhaps I may have mis-spoken, I think you may have already left the Other Place. I do not wish to cause painful memories, so I will leave that alone.

Mr. President, the point is that an issue came up in this Honourable Chamber, with respect to a decision taken by the United Kingdom by their and I should say our esteemed law lords, a case called Pratt vs. Morgan, to the effect that if you have a man on death row for more than five years and that man has not been executed, then he cannot any more be executed. I said then, because I felt so then and I feel so now and it made some people upset with me but I believe you have to say how you feel... Sir, that is part of my persona.

Mr. President, I said it is all well and good to beat up on the United Kingdom's law lords but the reality is that when you look behind all of the realistic and nationalist considerations attached to our argument, there is a pressing concern called human rights, so that someone sitting on death row for an indefinite period of time, in some cases fifteen years, those types of things are wrong and that at some stage somebody had to 'bell the cat' and that we also had to take some responsibility for creating circumstances that were favourable and conducive to England taking the position it took.

Mr. President, I have already said in this Honourable Chamber in this speech that I share nationalistic concern but when you look at some of the considerations raised by the Organisation for Economic Cooperation and Development States, then you realise there is work that we have to do urgently, in terms of bringing our legislative arrangements up to speed. Sir, however vexed we may get with them for the way they do the things they do, there is some merit in the criticisms, and we would do ourselves a terrible injustice as a society and as a nation if we do not look at that merit which exists.

Mr. President, among the things they found fault with is the fact that we continue to maintain the existence of secrecy provisions in some pieces of legislation, especially the one we are now correcting, the International Corporate and Trust Services Providers legislation. Mr. President, I took a little time, because I do not think it is right that you should talk the country through and not do the research to help talk the country through. The International Corporate and Trust Services Providers legislation, when it was looked at by the Organisation for Economic Cooperation and Development States, gave rise to a few factors of concern. The first of all was that all financial entities were not required to maintain beneficial ownership information in respect to persons for whom you are acting, and Senator Boyce spoke extensively to that concern. Sir, they made a recommendation that there should be an obligation in law for all entities that are acting

on behalf of somebody else, to be able to come up with who is the beneficial owner, for example, if in a bank, who owns the money in the account. Sir, to say the money is the account is held by X,Y,Z organisation is fine and dandy and the organisation can be so structured under our law that you can have, as directors of the organisation, some folks who have nothing to do with the day-to-day actual management of it.

12.44 p.m.

Sir, there are fellows who have put their mistress and the housekeeper as directors. Sir, it has happened and what they are basically saying is that if you want the fullest possible transparency...

Asides.

SENATOR K.D. SYMMONDS: Sir, you want to know that money has been funneled through Barbados and finds itself on account at a particular bank but it may have originated as a result of some activity of a questionable nature currently taking place in northern Africa because a dictator for 40 years out there is now trying to funnel funds some where else so that when, and if he leaves, he can access those funds then, Sir, you want to have an idea as to who is the beneficial owner of the money. Sir, there is nothing wrong with that. It says as well that they want us to have a situation in which the identity and ownership information is required in respect of all express trust, especially with respect to the persons who are beneficiaries under the trust.

Sir, they recommend that we establish in our law an obligation for all trustees, resident in Barbados to maintain information on the settler of trust, the trustees and the beneficiaries under the trust.

Mr. President, why does that become of relevance? Sir, many people who do not do business in this area do not know is that Section 28 of our International Trust Act provided that you could not disclose the names of trustees to anybody. You could withhold the name of the beneficiaries under the trust from anybody and you could only get that information if you are able to get a court order to do so.(2:00)Sir, if we think of the reality of the world that we live in for one moment, again, I hope we understand why I say that it is something that the country needed to have though through, and though through and, Sir, we need to do so still because we have lived in a world where we have known international terrorists' organisations to move money from one jurisdiction to another in order to hide the ownership of the money, first of all, but also to launder in some instances and later then, access those funds for it to be funneled into some other jurisdiction where they wish to do business usually of an unlawful nature and if you use the creation of a trust, Sir, it

is a beautiful Instrument. I give this to you to hold upon trust for a certain period of time and then after that, it goes to x,y,z person or entity. Sir, if that was done by any of the so-called networks, Al-Kaida network or whatever they call themselves...

Asides.

SENATOR K.D. SYMMONDS: I am not saying that it has happened in Barbados but under our arrangements, without changing the arrangements, this place could become the perfect haven for that type of abuse. Sir, I say to the Chamber that the criticism of the OECD is one I join in because I do not like the way in which they do that which they do but I also recognise that there is some merit in the criticism that has been raised. I also make the point that they have pointed out, and quite rightly so, that Barbados maintains double taxation agreements in which Barbados does not exchange information on certain types of entities, for example, international business companies, offshore banks, exemption insurance companies and so on.

Mr. President, the reality is that two of our older trading partners, the United Kingdom and Canada and, therefore, the ones with whom we do the vast majority of our international business were the countries with whom we had precisely those double taxation agreements, where we were withholding information on international business companies and foreign sales corporations and exemption insurance companies and the like. It is correct to say, I believe, and I suspect that Senator Boyce alluded to it, if he did not actually say so that both Canada's double taxation agreements (DTA) with Barbados and Barbados' DTA with the United Kingdom have been reworked so as to make them compliant. Sir, that is my understanding from the sector. Sir, again, they have not formally been ratified, so that situation still stands but the reality is, Mr. President, that, in a day and age, when we are speaking about the exchange of information being full, frank and effective, you cannot then have a treaty network in which certain vehicles are carved out, separated and excluded from close scrutiny and inspection. Sir, that was the inconsistency to which the OECD sought to alert us.(5:16) Sir, in as many as tree treaties it is necessary to first establish the existence of what you call a domestic tax interest before you exchange any information. Sir, you have to have a domestic interest here before you exchange any information with that particular party and we have at least three treaties in which we do that. Sir, again, there are as many as, I think, about five of our double taxation treaties in which we only have spoken to the possibility, Mr. President, of consulting with partners with a view to understanding how we are going to exchange information.

Mr. President, the condemnation of our treaties though they were well-intentioned back in 1970, 1980, 1990, 2000 and 2005, I think, we have about 30 or so, the

reality is, Mr. President, that the treaties themselves need to be revisited and there is an urgency of doing so. Mr. President, unless we do so, we will continue to invite the sanction of the international community.

Mr. President, there is also a principle, which as has been raised as a concern and that is, that you exchange information with respect to all persons and you do not opt out on the basis of the person's nationality or you do not opt out on the basis of the person's residence but we have treaties, again, with Canada and the United Kingdom, also with Finland, Ghana, Sweden and Venezuela, interestingly enough, where you can, in fact, opt out the exchange of information on the basis of country of residence and, again, it goes against the grain of your principle. The broad principle is the fullest, frankest, exchange of tax related information. What, therefore, I think the OECD has been sending a signal to this country about is that while we have an extensive network which has worked well for us, we also have to rework and revisit, revamp if you will, that tax network so as to make it more compatible with the requirements of the age in which we live.

Mr. President, some time, I think, has to be spent with respect to the United Kingdom because the United Kingdom one, as I have alluded, is one of unprecedented difficulty for Barbados. Sir, back in 2010, the United Kingdom passed what is called a Finance Act and, on the 8th April, 2010, they indicated that, for the first time, they will be linking penalties for tax avoidance to the jurisdiction to which the tax avoidance takes place. It, therefore, means that if you identify a set of countries with a bad record the penalty is higher and if you identify a set of countries with whom you do not think there is such a bad record, the penalty for tax avoidance is lower. Sir, it no longer about the person who broke the law, it is about the jurisdiction as well in which that person resides.

Mr. President, the painful thing about this is that ...

Asides.

SENATOR K.D. SYMMONDS: Sir, again it goes back to the 2008 injunction from the OECD. They have rewritten the script and they say that you have to do it in accordance with this new model but we have, traditionally, in good faith done business with Britain and I do not say there is a single instance where Britain can say that Barbados failed to cooperate in an illegitimate request for tax information exchange. I do not think there is a single incidence or vice versa because up to the other day, we would have considered ourselves to be the best of partners but, Sir, apparently that is not so, and Barbados has been placed on a listing of three different types of countries and we are at Category 3, the worse type, attracting a penalty for people who break the law in England as much as 200

per cent of the undeclared or undisclosed capital gain or 200 per cent of the undeclared or undisclosed income.

Mr. President, what is frightening about this is that it seeks to penetrate the very core of our development paradigm. Sir, think it through and let us demystify a little bit, what is a capital gain?

S/A41/12:54

Sequence 9

You come to Barbados, do business, and buy a villa on the West Coast. Let us say that villa costs US\$10 million or US\$8 million. There are those selling out there for that astronomical amount of money. Sir, do you understand that he now attracts a penalty because he did not disclose his villa, and he is going to pay 200 per cent on that as the punishment because he bought the villa in Barbados, but if he bought it in some other jurisdiction, which perhaps is not doing as well but it suits Britain's purposes, the penalty would be nowhere near. It means therefore that Barbados is faced with a situation in which the United Kingdom's law, is now going to make it very inconducive for a British national to come here to do business in Barbados and run the risk of running afoul of that level of imposition. Sir, if that is the situation we are facing, we are in danger, and I have said this before to my colleagues, of shedding offshore business clients the way a bear would shed its fur. These people would flee the jurisdiction.

Sir, it is a situation which is very worrisome, because not only do they come here and purchase their villas and so on, but these are the nameless unseen faces behind Saturday's Gold Cup, and the horse racing industry by extension. These are the nameless unseen faces behind the rental car businesses, the large restaurants and a lot of investments which are taking place in Barbados where people out of the United Kingdom, and indeed out of Canada as well, come here and partner with Barbadians, and sometimes partner with each other and set up a business, but it is employing Barbadians to operate them. If this goes unscotched, then the United Kingdom will be once again recolonising and under developing this little rock.

Sir, I say that we are at the point in time where we have with the greatest degree of urgency to mobilise all of our diplomatic resources. I have heard Senator Boyce speak to the question of revamping the legislation, and I would want to think that we would see a flurry of related pieces of legislation come before this Chamber and obviously from the Other Place, respective - we are going to deal with the Companies Act today. We have to look at our Income Tax Act, I am sure. We have to look at money laundering. There is a whole raft of legislation which you

are going to move with urgency in order to simply keep afloat. That again is another difficulty attached to that, because it would mean therefore that you need people to draft the legislation. It is something that the country now has to be mobilised as one to confront.

Mr. President, I think the greatest difficulty of all is that which has been defined as public relations. Senator Boyce said that there will be mounting a public relations campaign. I honestly feel that every person who leaves Barbados on a British Airways or Virgin Atlantic flight should be handed a Flyer, "Do you love this country? I hope you enjoyed it." Sir, this is where people potentially will be if your MPs are not pressed to help bring some sanity back to Westminster. Sir, this is where we will be if the local Council is not pressed to bring sanity back to Westminster.

Mr. President, it cannot continue this way. It is a very grave set of circumstances, and if I have to...I really do not wish to find an abundance of a fault with the Government, because I think it is a matter which has transcended the local Government's process. If I have to say to the Government by way of a criticism, and hopefully not so much criticism but encouragement I would say this. It is a matter which I think the Government must now speak more extensively to. The only time that I have heard these matters raised was in the Other Place. Mr. President, with the greatest possible respect, that is not enough.

Sir, the people of Barbados need to be able to say to those from England with whom they interface on the West Coast on a daily basis, "But Skipper, what it is that you all are doing in the United Kingdom? Why is it that this is the way in which we are being treated?"

Sir, we who hosted Tony Blair four years in succession made this the choice destination. There is a daily interface between Barbados and the United Kingdom in tourism. There is a daily interface between Barbados and the United Kingdom in sports. There are a variety of arena in which we interface with the United Kingdom, but we must also understand that in each one of those avenues there is an opportunity which, up to now, continues to go a begging, because we are not pressing the case for there to be justice in this matter.

Mr. President, yes, the British Crown needs revenue, but it cannot be that you raise your revenue in a manner which is completely deleterious to the age-old relationships that you have enjoyed. It is not only in this regard. I take the opportunity to say as well, that when the British the other day talked about pulling the narcotic surveillance ship out of the Caribbean, and then after there was a large protest, came back to say that they are going to have some smaller vessel, but which will carry less helicopters and other aircraft. What are you really achieving? Either we are

partners or we are not partners. They cannot ask a region that has remained so fully committed to a partnership with Great Britain and a country which has led that partnership, for all intents and purposes, because I think the closest of the alliances continues to be Little England and the United Kingdom. You cannot ask us now to sit down and accept that. I really would want to hear the voices of the lead ministers connected to the financial affairs of the Crown, Senator Boyce and others, speaking more extensively to this, because it is a time at which leadership is critical and the country, I am sure, will stand in line. The Opposition is prepared to support all reasonable efforts, Mr. President, but there has to be a declaration on the part of the Government that this is the national agenda and it constitutes A, B, C, D, et cetera.

Sir, I recall well, when the United States, and it is was far less intense, back in 2006 or so, sought to gut the double taxation agreement between Barbados and the USA, and we mobilised every aspect of our diplomatic relations. I remember the fierce letter of response that came from Senator Orrin Hatch, because he was Chairman of the Finance Committee. It was a letter virtually inquiring, how dare you all speak to us in this way. Sir, the point is, you had to let your voice be heard. Your presence had to be felt. Eventually you find common ground.

Sir, the point is, you cannot let yourself be pushed around. I think the Government must make sure that Barbados' interest in this fundamental sector, this sector which is employing 3 000-odd people, a sector contributing in times of recession to 60 per cent of our corporation tax, the sector on which wages and salaries rely, social security and infrastructure rely, we have to defend the sector. The Barbados Labour Party starts ready and willing to cooperate. We ask the Government to recommit itself to dedicated leadership.

I thank you, Sir.

SUSPENSION

SENATOR Hon. Miss M.P.O. McClean: Mr. President, I beg to move that this Sitting be now suspended until 2.10 p.m.

The question that the Sitting be suspended was put to the Senate and agreed to and Mr. PRESIDENT suspended the Sitting accordingly.

1.02 p.m.

Sequence 10

RESUMPTION

Mr. PRESIDENT: The Senate is resumed.

Senator Cave, you have the Floor.

Senator R.G. CAVE: Thank you, Mr. President.

I would like to first congratulate Senator Boyce and then Senator Symmonds on two outstanding presentations and giving us a lesson in international business. It is the best coverage I think I have seen and it is believe it is worth the public knowing about it.

Asides.

Senator R.G. CAVE: Unfortunately international business is not a topic that gets into the wider circle of Barbados because I do not think many people understand it. Let us say as a child, I grew up in the sugar industry and I watched it fade and I watched tourism come along and took over and I watched international grow probably since about 1980 and I think that will take over from tourism. It is an industry that we have tremendous opportunities. We have only touched on Canada and when one considers that Barbados is the second largest area of investment for Canadians after the United States of America, it is unbelievable what one can do in the world of international business and we have not really penetrated the other markets that we could, so the opportunities for this country are huge. I am glad though that we have heard some of the dangers coming our way, and it was what to me was probably the nicest I have spent in the Senate, is the fact that I heard the presentation by Senator Boyce and the support given by the Opposition Senator.

Asides.

Senator R.G. CAVE: They both recognised that this was a national issue and this is great and as we can do if we can publicise this to the nation and let our people start to speak on the world of international business because there are great opportunities and it is an area that we need to work on and I would encourage the Government to spend what they have to spend in putting our Legislation right and get whoever we have to get to do it and make sure that we are in the leading edge of this business because Barbados is well seen by all international jurisdictions and I believe if we keep on the leading edge, we will be a very happy nation and our young university students will all find work here.

For that, Mr. President, I thank you.

Asides.

Mr. PRESIDENT: Thank you Senator Cave.

Senator Bradshaw.

Senator Miss S.J.O. BRADSHAW: Thank you, Mr. President.

First of all let me say from the outset that I too concur with Senator Cave, with respect to the contributions made by both Senator Boyce and Senator Symmonds. It certainly placed the issue of international business in a very wide context and certainly gave us all, I believe, a better perspective as to where we are going with respect to the importance of international business as it relates to our economy.

There is no doubt that both sides would agree we need to regulate the international business sector. There is not doubt on either side, certain things need to be put in place in order to ensure that the international business sector operates with a certain degree of openness and that persons who utilise the services feel comfortable seeing Barbados as an international business sector.

The question however though, I believe that we must consider, having been given the general landscape of how international business works is whether this particular piece of Legislation will serve the very persons for whom it is intended. I say that because at the outset those persons who are providing the services in this sector share certain concerns as it relates to this particular piece of Legislation.

I know in other jurisdictions that have implemented similar Legislation like this, the fact remains that one must determine how best to regulate the financial services sector. And so, there are varying views as to how we should approach it. In some jurisdictions it is believed that we must take a stringent approach, in others I believe there is the suggestion of a more soft approach where we allow the industry to regulate itself and to be self-regulated as opposed to imposing things that may make it difficult for persons providing the services in the sector to properly operate.

I say that because, as it stands right now, when I look at the Bill, I do not see anything specific that relates to persons who are non attorneys or accountants. As it stands, both the accounting profession and the attorneys are actually regulated. You have the Legal Profession Act, which regulates the Bar Association, and there are regulatory standards which obviously regulate the accounting profession. I believe that the other set of individuals who practice in the international business sector as it relates to this piece of Legislation are not specifically targeted as it relates to their regulation.

And so, I ask the question, whether those particular pieces of Legislation as it relates to accounts and lawyers may not also be updated at this point in time, while we are also reviewing this particular piece of Legislation. I think that what we may well find ourselves in a situation of

doing is that for some of the persons who practice in the industry, some of the conditions that are being imposed by this particular piece of Legislation may be onerous.

I note that there is a requirement for professional indemnity to be taken out and while I concur that professional indemnity is a necessary part of doing business, particularly when there are large sums of monies involved, I would certainly say that a person who is entering the legal profession for instance in, say the first few years of practice, may not well be able to afford the substantial sums of monies that are entailed in actually obtaining the Professional Indemnity Insurance.

And so while those on the other side, I believe, Senator Boyce indicated that we are looking out for the younger people, I think that those are some challenges that some of the young persons entering the profession, who are not necessarily associated with large firms may actually face in terms of making applications for Professional Indemnity Insurance.

It is not just the incorporation of a company that triggers this particular Legislation and the application for a licence but it is actually the other ancillary things that one must do in order to actually bring about the financial service in itself and so things like advising on share transfers and other complex structures, also any financial arrangements as it relates to a particular international business entity will trigger an application for a licence.

As such, it means that persons who may only do for instance one or two applications a year, in the course of a particular practice, will find themselves particularly burdened by the issue of the Professional Indemnity Insurance, which is now a requirement under this particular piece of Legislation.

The fact remains that the Professional Indemnity Insurance can range sometimes, more than \$40 000 per annum and given that the junior attorneys practise sometimes may not entail significant sums of income generation but the Attorney may certainly be interested in having a small aspect of their practise being dedicated to international business. I think it is certainly a consideration that needs to be made as it relates to the weight that would be placed on particular Attorneys in the profession.

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I also note that at Clause 7 (5) the powers of the Director seem particularly wide. As it stands right now, the Director can determine whether someone is fit and proper to hold a licence to carry out the international service. While this fit and proper in law as we often come across is particularly wide, I would say that I believe that simply looking at someone's educational qualifications and also

looking at one's financial standing may also present some problems for persons operating in the sector because again if you have a junior attorney in the first couple years of practice, I am not sure what the yardstick would be to determine whether that particular individual is in a financially viable position to fall within this legislation to apply for a particular licence and so I anticipate that there will be some difficulties for attorneys and persons who are particularly interested in getting into this sector or who are actually practising in this sector to be able to meet some of the requirements under the legislation. I think that the fit and proper criteria is particularly subjective. I think it gives the Director very wide powers as well in order to determine whether the individuals are fit and proper to hold the particular licence.

The other point is that the Director has another wide power as it relates to the cancellation of the licence. The Director can also revoke the licence as well if he deems certain things not being done by the particular person making the application. I note there that there is no right of appeal in this particular legislation and therefore a person who wishes to appeal the decision of the Director will certainly find themselves incurring significant cost having to go before the law courts in order to make their case. Now, you would have normally say 14 days to give reasons under the Administration of Justice Act and I guess the next step would often be to take it before the law courts. Sir, as you can see, this particular piece of legislation will also bring with it some concerns for persons who have been denied by the Director on the basis of say their financial standing or the wide powers which the Director has to determine that the person is not fit and proper to be able to hold the licence to be able to appeal before the courts.

Mr. President, as much as I agree in principle with the substance of the legislation, I believe that we must also look at ways, in due course, to perhaps watch how this piece of legislation operates, because already there are concerns being expressed by the financial service providers, and to be able to see if we will not in the future have to be making modifications to this piece of legislation as it starts to become operational.

We have heard a lot, Mr. President, this morning about the impact that the international business sector makes as it relates to the Barbados economy. I believe that given that we are now operating in a very competitive environment, it is imperative that the public of Barbados certainly comes to grips with the impact that international business is making in our community. While we are acting urgently to ensure that this piece of legislation and others are coming to these Houses, I believe that we must do so in a manner that ensures that those professionals who are operating in the industry do not find themselves burdened by having to face significant price increases in operating their businesses because what could very well happen is

that person would either be deterred from participating in the sector or they are going to find ways themselves of trying, in a sense, to hide certain things in order to be able to make a living. Things are already very difficult and so I just hope that as we move with certain urgency to ensure that this legislation meets the international standards that we do not also place an onerous burden on the very people in the sector who actually practise in this particular area.

That, Mr. President, ends my submission.

Mr. PRESIDENT: Senator McClean, you have the Floor.

Senator the Hon. Miss M. P. O. McCLEAN: Thank you, Mr. President. As I rise to wrap up this debate on the International Corporate and Trust Services Providers Bill, 2011, I also want to join with the two preceding Speakers to congratulate, especially so my colleague Senator Darcy Boyce, on what to me was an excellent presentation and lead off of the debate. Of course, I recognise the good contribution of my goodly Senator on the other side, Senator Symmonds.

Mr. President, when we talk about the international business sector, it is clear that we are talking about an aspect of our economy that is of significant importance; however, the irony I supposed, if you want to call it that, is such that it is not a sector that is not well understood as we heard before and I really would want at this time very early to endorse Senator Cave's call for a publicising and a replaying or the use of Senator Boyce's contribution to help to educate the public.

Barbados, as we know, has established over many years its reputation as a centre of best practice. When we compare ourselves with some other jurisdictions, we can classify ourselves as a pretty mature destination when it comes to the question of the offshore sector and therefore the context in which agreements were signed, the focus of agreements and the content of agreements have been such that they reflected the realities of that time so the focus of a Double Taxation Agreement was on finding a mechanism which would have allowed us to engage in business activity in a particular kind of way consistent with what was deemed to be the best practice.

Since the event of 9/11 and the concerns about international terrorism and the rise in drug trafficking, et cetera, the concern about who owns wealth and so on has become of greater significance and therefore the growing importance of information and access to information and information exchange.

Mr. President, we see that what has transpired is a situation where those who seek to, if you want to call it, regulate in an analogous way the financial services sector

at the international level, have sought to incorporate issues relating to matters which need to be highlighted. It is not only about ensuring best practice. We also have to recognise, and we would have heard it in previous contributions, that countries large and small are competing for a share of this market and therefore those who have the greatest clout would seek to set the rules of the game in a manner which pretty much puts the advantage in their favour. It is a question of a balance of power and therefore when we see the countries of the Organisation for Economic Cooperation and Development making decisions, it is not simply to ensure the best regulations but also to ensure that when we talk about competition they have some clear and definite advantage and that for us is difficult. It therefore means as we heard before that we have to constantly engage in upgrading our legislation and in upgrading our practices, et cetera. I must say that essentially has been the case.

Sir, in order to put, I supposed, some finality to this discussion, because as I said the earlier presentations were excellent, the reality is that we have been both responding to evaluations and positions taken by the Organisation for Economic Cooperation and Development, the United Kingdom and other jurisdictions within the developed world but we also had been proactive in efforts to engage in modifying and upgrading our services.

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2.39 p.m.

On the motion of SENATOR the HON. MISS M.P.A. McCLEAN, the SENATE resolved itself into Committee on the Bill, MADAM DEPUTY PRESIDENT in the Chair.

COMMITTEE

MADAM DEPUTY PRESIDENT: The Senate is in Committee.

Part 1, Clauses 1 - 5 were called and passed.

Part 2, Clauses 6 - 13 were called and passed.

Part 3, Clauses 14 - 23 were called and passed.

Part 4, Clauses 24 - 30 were called and passed.

Part 5, Clauses 31 - 38 were called and passed.

The Schedule became the Schedule to the Bill.

On the motion of SENATOR the HON. MISS M.P.A. McCLEAN, 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. MISS M.P.A. McCLEAN, the Bill was read a third time and passed and cited as the International Corporate and Trust Services Providers Act, 2011.

ORDER NO. 2 – BARBADOS DRUG FORMULARY
(VALIDATION) BILL, 2011.

Mr. PRESIDENT: Senator Sandiford-Garner, you have the Floor.

SENATOR Mrs. V. I. SANDIFORD-GARNER: Mr. President, thank you. Sir, I stand here today to bring to you the Barbados Drug Formulary (Validation) Bill, 2011. This exercise, Mr. President, is the validation of all of the publications of the drug formulary which would have taken place in the past 15 odd years. Sir, under the law, the drug formulary cannot be printed unless approved by order of the Minister. Sir, every edition of the drug formulary has to be approved by order of the Minister and that approval must come to the House of Assembly. It must be done in Parliament and, Sir, this has not been done in over 15 years so we are here now to validate the actions of the Minister and the publication of the document for the past 15 odd years to ensure that what we are doing, we do with the authority of the people.

Mr. Speaker, we are soon to present the 30th Edition of the formulary and that should be going to Cabinet very soon, so we would not wish to do that without the authority of this esteemed Chamber.

Mr. President, I think it is worth my while today, though, to not just speak about the validation of the formulary but to give some history of the Drug Service itself and also to speak on some issues which have caused quite concern amongst some people in Barbados, specifically persons suffering with chronic non-communicable diseases. I make haste here to say, Mr. President, that some very disturbing misinformation has been circulating in the public domain over the past month regarding what is in the formulary, what is not in the formulary and what rationalisation of the formulary will do, and I deem it reprehensible that individuals would seek to cause undue fear and panic in the hearts of people who are already vulnerable, they are already ill, and seek to put the fear of God in them, that the Government is trying to do something to shorten their lives by rationalising the drug formulary.

Mr. President, I have articles and I have heard comments on the call-in programmes and I am appalled at the efforts that have been made to give the perception that this action is going to cause harm and it is going to cause danger to the sick people in this country. Sir, it is absolutely untrue and those persons who have been abroad

perpetrating that perception ought to be ashamed of themselves.

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You do not do those things if you call yourself a decent citizen. I said at another time that sometimes when you hear these comments made, you have to understand that they are done with an agenda. It may be a political agenda, and sometimes it is an economic agenda. I also spoke to the fact that the drug industry is a multi billion industry and there are people who will do anything to maintain the status quo, but I am saying today that we have to do what we have to do especially in this economic climate and whatever is done will be done in the best interest of all Barbadians.

Sir, I beg your indulgence. I did my research and I understand that the Barbados Drug Service came into being under a gentleman who had been touted in Barbados as being one of the better Ministers of Health, probably the best Minister of Health, one Brandford Mayhew Taitt, recent vintage Sir. Brandford Taitt. I also understand that the Drug Formulary was also developed within the governance of that individual, and there were good reasons for that. Apparently when the Drug Service was introduced private companies were charged with the responsibility of importing medication. Now when you have a situation where any importer or any supplier had the power and leverage to import drugs into Barbados, it was a situation you know would have very minimum control and where at the end of the day the bottom line for those particular companies would take precedence, and where those same companies could sometimes hold the Ministry of Health or the Government to ransom, the Government of the time decided that we would have a Barbados Drug Service, we would supply the drugs from a central depository, that certain categories of Barbadians would receive the drugs at a discounted price, some people receive the drugs at 50 per cent of the price. It think it was over the age of 65, hypertensive, diabetics.

Sir, I remember the days when I went for drugs for my children, under the age of 16, I had to pay a small fee for those drugs. As long as I showed their ID cards, you pay the fee and got the medication once it was in the formulary. Sir, under that same Government a Formulary Committee was established and that Committee decided which drugs would be included in the formulary at that time.

Sir, by 1986, an election was coming, and in April of 1986 the Government of the time, which was not a Democratic Labour Party Government, decided that all drugs to Barbadians would be free. Well, I do not know

what the gamble was at that time. I could only guess. When you are talking about having that introduced in April, just before an election, you would understand that there was not an adequate budget allocated for the process because you were not sure of the demand, and I supposed the gamble was, if the Barbados Labour Party regains the Government they would then look for the money, and if the Democratic Labour Party won the Government it would be their burden to find the money. That is just what happened.

Sir, every year subsequent to 1986 more drugs were added to the Formulary. The system was never addressed and each year we saw a situation where the Barbados Drug Service was put under tremendous strain. Sir, do not talk about the conditions under which the employees of the Drug Service had to work. It is only in recent times that those people have found some refuge under this Government in clean and sanitary surroundings. They were charged with the responsibility of providing free medication, reviewing the formulary and taking care of the drug needs of the Barbadian public at that time.

Mr. President, every health care provider has access to that formulary and you would know that all doctors use it when looking to prescribe their medication. If it is not in the formulary that medication you have to pay. So I would wish to tell Barbadians now that is standard and that situation would not change. If it is not in the formulary you will have to pay, as usual. Sir, what will change, when we rationalise the new formulary is the number of drugs in the book that do the same function. That is where the confusion has come. You hear that we are going to cut the drug formulary in half, specifically hypertensive were targeted by the purveyors of the malicious and scurrilous information put in the public domain, hypertensives were going to suffer because they are not going to be able to afford the drugs that they are going to need to help them deal with their illness, untruths, Sir.

Sir, all over the world Governments are looking to cut their medical bill or to see how they can rationalise their health service. Rationalisation of this formulary is nothing new. It takes place every year in Barbados, and we are mandated when we do it to meet WHO specifications. So I do not understand why this panic is being occasioned at this time.

Mr. President, last year alone, we spent \$40 million in providing free drug service for Barbadians and that does not include the Queen Elizabeth Hospital. That is just the Barbados Drug Service. In 2010, I think 2009/2010, we had to go to Parliament for a Supplementary to pay private pharmacy who were dispensing the drugs on behalf of the Barbados Drug Service, a Supplementary to pay the private pharmacists for handing you the free medication. This is what we had to do.

Sir, we have recognised that if we do not act swiftly this Barbados Drug Service or the National Drug Service is going to be a situation where every Barbadian will have to pay for their medication. It will sink. We will sink it because it would become unsustainable. The practices which we are engaged in now will become unsustainable for this country. So we had to look at a way of reducing the cost without compromising the health care of the Barbadian public.

Sir, a Committee of pharmacists, a Committee of doctors, and let me say again, a Committee of doctors and pharmacists, as well as members of the Tenders Committee sat down...

Asides.

MRS. V.I. SANDIFORD-GARNER: Yes, members of BARP.

Sir, they sat down, we called it the Revised Drug Formulary Committee, with the responsibility of reviewing that booklet. We also accessed funding from PAHO to ensure that we received the technical expertise needed for that review, and we got the money. The process span the period of two years. It only finished in October 2010. So it was not a fly-by-night initiative. They sat down and they studied the drug formulary. We had consultants from the University Centre for Pharmacology, WHO, PAHO, the Collaborating Centre School of Medicine, the University of La Pata, and they reviewed that formulary. It found that there were major costs differentials between the same type of drugs to treat the same type of illness. Sir, it was recognised that because the drug was more expensive, it did not mean that it was more therapeutic. It was just more expensive.

Mr. President, drugs for specific ailments are categorised in classes, and this is something, I think, the public needs to understand. All drugs are classified or categorised in classes. One particular ailment may need drugs from one than one therapeutic class. So you could have six therapeutic classes for asthma, and you may need a drug from each therapeutic class for that asthma, but within that therapeutic class, you have six drugs doing the same thing for the asthma, six.

3.08 p.m.

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Sir, within that therapeutic class you have six drugs doing the same thing for the asthma and the Government is buying all six but you may only need one of them but you have what the Bajans call, 'too much choice dilemma'. You have all types there to do the same thing so you have

the branded and you have, what they call the 'me too' drugs.

Sir, what we sought to do was to see how we could weed out the 'me toos' and slim the list a little. Remember, you gave the therapeutic classes and then you have X amount of drugs in each class and all that was done was to weed out what you would call the 'me too' drugs in each class.

Another area that was examined was what is called the fixed-dose combinations, where you have on the Formulary one tablet that has six different drugs in it and you call that a fixed-dose combination where you have, I would call, 'a cocktail of medication' in the same tablet. Therefore, we looked at those and we were advised by the Pan American Health Organisation (WHO). We were told that where you have these fix-drug combinations like the cocktail, you also have individual medications that do the same thing. They recommended that we not keep the fix-dose combinations because they are not always as effective therapeutically, as if you were to give a person the individual drugs from the different categories, so that the was advice we took as well.

The World Health Organisation also said that if there is evidence that the drugs combined, proved more therapeutic or beneficial for some people, then you would keep at least one in each category so the rationalisation was done. Sir, all of the therapeutic classes of drugs are still here. All of the classes remain and on the recommendation of the consultants on the Committee, we ensured that the frequently used drugs, at least three of the them remained in each class, so the consultants were there to guide and we left those on the list as well.

For example, in the case of hypertension, I will state again, you could see a patient will not be on the more than one drug of the same therapeutic class. If the person needs six drugs from six different classes, they can still get those drugs through the Barbados Drug Formulary.

As I said earlier, the review revealed substantial duplication and we sought to eliminate that duplication and one wonders, Sir, why this rationalisation was not done before but I suppose the political will was not there to do it and probably the thought was that the sort of negative press that we are getting now, would have been endured then or attracted then and nobody wanted to take the step to see that we could rationalise what we see now as a service which is unsustainable.

Sir, we have done it so that rationalisation will mean less money spent with the drug companies and that is a situation that those persons who are within that industry, will not welcome that move. Sir, I am saying today it means that more money will go towards doing the things

that we know we have to do in the health service. In effect, more money will go towards making wrong things right in the health service of this country.

Asides.

Senator Mrs. I. SANDIFORD-GARNER: Sir, the exercise is simple for anyone to understand so I cannot comprehend why we had all of the uninformed diatribe for the past six weeks. I cannot accuse the persons of deliberately attempting to cause panic, I just think it was laziness in not doing the research, on one hand and, as I said, those with a political agenda seeking to take advantage of the vulnerabilities of those sick people, on the other hand. All the changing of the Formulary will do, is to require the doctors to choose another drug in the same class.

Another change maybe, Sir, that if you do not choose to have your prescription filled at a public pharmacy,

You will pay a handling fee now at the private pharmacies -- that is the other change -- because we cannot continue to sustain the practice of paying more than \$1.2 million a month for a private pharmacy to hand you a brown paper bag. We cannot afford it. This is \$13 million a year just for you to hand over free drugs to a client. We cannot do it anymore if, indeed, you choose to go to a private pharmacy, you will pay a handling fee.

Sir, it is done in developed countries that have a lot more than we have. I have had the experience of having drugs in England and going to fill a prescription and having to pay £7 for my prescription. It was an across-the-board fee and I paid it. The drug was on the Formulary because their National Health Service is akin to ours, or ours is akin to theirs and I had to pay the £7 handling fee. Sir, if Barbadians choose to do that, they will go and they will have to pay the handling fee.

What we have done is to go the Parliament for a Supplementary of \$13 million to ensure that the polyclinics and the other public pharmacies are adequately stocked for the expected demand, when it does occur because people will not opt, some people will have no choice but to go to the polyclinics and receive their free drugs. We have made sure and, as I said, we have set up a Committee and I sat with some Members of the Ministry of Health and they

Sir, there is a Committee set up now where you have Pharmacies and somebody who has been skilled or trained in project management, to go through the whole plan of how we will work with the polyclinics, when April 1, comes. Sir, that plan is in place where our public pharmacies will be stocked and prepared to handle the demand of the general public, those members who do not plan to, or do not wish to go to a private pharmacy to pay

for their prescription. Sir, I think I have given a very brief but concise summation of the true picture.

I would also wish to allay fears because some persons have been speaking about the fact that branded drugs will be replaced by generic drugs and there seems to be some perception that generic drugs are less therapeutic or less effective than branded drugs. I think anybody who has done any surface reading would know that a generic drug is just a branded drug without a name, for example, a pair of jeans without the brand stamp on them. A generic drug has the same properties as a branded drug. It is just that the patent ran out and I would like to give definition of what is a generic drug.

Sir, if I may, a definition from the FDA says that a generic drug is identical to a brand-name drug in dosage form, safety, strength, bio-activity, route of administration, quality performance, characteristics and drug and the patented drug is cost. Sir, cost is the main difference. When you buy a patented drug you pay for the market research, you pay for marketing of the drug itself, you pay for the name of the drug. The patent, marketing, transport, all of those costs are bundled runs out, numerous companies buy them to see how they can take it over. Therefore, you can have acetaminophen, call it Panadol, call it Tylenol, it is the same drug. It is just the drug without the packaging. Sir, I would wish to allay that fear.

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Sir, in a nutshell, corrective action had to be taken. The only way to continue to guarantee the high standard of health care that we have was to bite the bullet and take corrective action and we did that. Sir, I make haste to say that we are doing it at all levels.

Mr. President, the Ministry of Health has the team in place under the guidance of our able Minister to take the corrective action. I trust that Barbadians would understand and have confidence in the team they have chosen to make those decisions in their best interest.

I thank you.

Mr. PRESIDENT: Thank you Senator. Senator Chandler you have the Floor.

Senator Dr. F. L. CHANDLER: Mr. President, I continue to be concerned about these validations which we seem to be seeing more and more frequently. In this case, this one is not 15 years but 20 years after the fact. I was wondering if this is now a conscious effort to clear up the backlog or is it whenever a public officer wakes up and finds that he has not been doing his job that then these things are brought back to Parliament. I figure that if the Government makes a law, it should not break the law and I

am wondering if there are any consequences for these public officers, the same consequences that John Public would have when he breaks the law.

With regard to the changes in the Drug Formulary, I have no problem with it at all. I certainly do not see anything wrong with paying the handling fee if you want the convenience of going to a private pharmacy. I saw all the ads on GIS and they mentioned about public pharmacies, we know about the Queen Elizabeth Hospital, but I wonder if the Senator could let us know if all the polyclinics have pharmacies or if the public pharmacies could be identified in these same advertisements.

I thank you.

Mr. PRESIDENT: Senator Worrell.

Senator A. R. WORRELL: Mr. President, I rise to speak briefly on the Barbados Drug Formulary (Validation) Bill. I also support what Senator Chandler said because I think too that with the number of validations we are doing, especially for the long period of time over which we are validating the Drug Formulary, we either have to look to see what is happening to cause such a backlog and we need to identify an easier method of which these things can be done so that we would not be continuously hindered with this process. If it is that the process is being hindered or whatever, wherever is the breakdown I think that serious attention needs to be paid to it.

Mr. President, along with complimenting Senator Sandiford-Garner for her introduction to the Bill, I also want to speak briefly on the Drug Formulary in Barbados because the Drug Formulary in Barbados has done a good job over the years in terms of helping in our health care delivery system in Barbados. Our Drug Formulary has also been copied by a number of other Caribbean territories. We have the ECD Drug Formulary. I believe that Trinidad and Tobago borrowed some aspects of it. Our Drug Formulary has significantly helped the Government of Barbados to make sure that health care delivery is accessible at a very affordable rate to all persons in Barbados. Through the process, the Barbados Drug Service submits a list of drugs that they deemed to be necessary for the treatment of patients within Barbados over a period of time and gets the distributors or the suppliers to submit bids. It is a way in which you can make sure that you obtain the drugs at a very competitive rate and not necessarily have to pay the open market rate for the cost of the drugs.

In terms of discussing the Drug Formulary, I also want to mention that within Barbados, and this is something that we should look to improve on, we have our own local pharmaceutical manufacturer which has been operating for a number of years. If it is that we are looking at it holistically, we are looking to reduce the cost in terms

of treatment of patients and so forth and we also want to reduce foreign exchange and at the same time we want to create employment for persons within Barbados as well, I think that we should make an effort to ensure that we utilise, wherever possible, drugs which are locally manufactured.

Mr. President, in order for drugs that are manufactured in Barbados to be released onto the market for patients, they must be approved by the Barbados Drug Service. Every single batch that is created must go for testing and the reports must be submitted to the Barbados Drug Service so that you can have an idea of the potency of the drug and the quantity of the active ingredients and so forth.

Mr. President, over the years, these companies have also gone a step further in making sure that certain stability studies have been conducted on these drugs to ensure that they stand up over the period of time for the duration of their shelf life or that the potency is at a certain level up to the expiry date. This is something that we can be assured of because this information has to be submitted to the Barbados Barbados Drug Service and they have to approve it in order for the drugs to be released onto the market and to be used.

Mr. President, I am not certain what is necessarily the case in all instances with drugs which are imported because in order for most companies to sell drugs here in Barbados they often just have to register the company and the drugs with the Barbados Drug Service. Every single batch that comes into the country is not necessarily... They may come with the certificate of analysis and so forth. Those are things that we have to look into because it was also mentioned in terms of the patented drugs and the generic drugs. Whereas we can be sure of the quantity of the active ingredients within the locally manufactured drugs... The company has existed for a period of time and it is known that the drugs are capable of working so why not make more use of those drugs within our hospitals and our pharmacies because we want to boost manufacturing and it would also help to reduce the spend of foreign exchange as well. I think it would also help another industry in Barbados which we can further grow and develop because we would be doing a bit more research and targeting drugs towards persons as well.

There is also the issue of compliance in terms of patients, especially elderly patients, in terms of taking drugs. I think that the Barbados Drug Service through the Barbados Pharmaceutical Society probably need to do a little bit more education in terms of the elderly patients and persons who may take care of them and the pharmacists can give a bit more information to the patients as well because this too would help to reduce the cost as well. For instance, imagine an elderly patient who may be

hypertensive who have to take the diuretic and then they have to take a number of different drugs... Most patients do not necessarily like taking a number of drugs especially when they reach a certain age therefore, you have issue with compliance in terms of some patients not taking the drugs to time so therefore they do not get the necessary therapeutic effect from the drugs. More attention needs to be paid to that kind of education so that you have greater compliance in terms of taking the drugs so that you would have a better therapeutic effect and it would also help to reduce the cost.

Mr. President, I am certain that when you go to some persons homes you would find bottles of medication there from last year that they probably keep for when the pain comes back again or whatever the case might be but that is not the way how you are supposed to do it.

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3.29 p.m.

Each time you go to the doctor you get a new batch. Sir, you would find that some patients have paracetamol tablets and metformin, which is used to control glucose levels, for months and months. Sir, that is one medication patients do not like to take or they have a difficulty taking because of the number of times you have to take it. I think sometimes you have to take as much as three or four tablets. Sir, those are ways you can look at to improve compliance and also to reduce cost.

Mr. President, I want to end by saying that the Barbados Drug Service is doing a good job in helping us in our health care delivery and that we would want to make sure that persons are able to benefit from it. Sir, you cannot continue to put money into a system that it is always wasting, you always have to be very prudent. Sir, you cannot just give away things like that, you have to make sure you can sustain it. Sir, I am certain that if these Bills were validated over the 15 years, the debate ensued would have helped to enlighten you of other ways and about things that could have been done to help improve the system, so that you would not have to wait until this stage, where it is in a critical situation, where you have to pass on the fees to persons. We would hope that we do not have to increase the fees but that we would be able to sustain it and carry it on.

Sir, that is why it is important that we are not just coming to validate the books, you are also coming to have an opportunity to speak on the delivery of the service, to speak on how it could be improved, on how it could be better monitored, how it could be better tailored to suit the needs of persons. Sir, over the years, you would have seen a number of different medical conditions coming up. Sir, previous to the 1980s, there was no need to have AZT on

the Drug Formulary but I am certain that is one of the drugs on the formulary now because during the 1980s, there was not much of a situation with the AIDS epidemic. Likewise, the increase in diabetes and hypertension. Sir, if we discuss these things more often, we will be able to put proactive measures in place, in terms of getting persons come out and practice a more health lifestyle by getting involved in exercises in order to reduce the risks of hypertension and diabetes, et cetera.

Mr. President, in wrapping up, I want to say it is unfortunate that we have to come here today to validate something which would have happened over 15 years, and that we would hope to see very few of these things reoccurring. I also want to say that whatever is the shortcoming that results in the work being set aside or pushed back or for it not to be seen as important, that we will deal with that, that we will make sure these things are done in a timely fashion, so that we will have an opportunity to critique and to review the information before us.

Mr. President, I also want to commend the administration on the work they are doing, in terms of bringing back some sense of order to the Barbados Drug Service, so that it can continue to be of benefit to the people of Barbados. Mr. President, I thank you.

Senator R. A. HUNTE: Mr. President, I rise to make a short intervention on the Barbados Drug Formulary (Validation) Bill, 2011. Sir, when you reach my stage in life and you hear such comments, it frightens you. Sir, some of the comments I heard with respect to the watering-down of drugs to be distributed in the Barbadian society bothered me. Sir, Senator Sandiford-Garner commented on the Bill. Of course, I did some research too, which I take very seriously.

Sir, sometimes you cannot play politics with serious matters such as health. I think there are some debates that we could grandstand on or parade on but there are some things we have to take extremely serious in our society. I think in relation to medical care and drugs, we need to be serious and that where we see faults or errors, we need to speak on those things and have them corrected.

Mr. President, one of the first things I did was to see if there was a Drug Act established in Barbados and of course, there were amendments over a period of time. I had to see if in that Drug Act there was a formulary. Sir, there was and still is, even though it may not have been given the attention over the last 15 or 18 years by those persons who were in a position to do so. Therefore, what we are here doing today is to validate matters that should have been done quite some time ago.

Mr. President, the United States of America Food and Drug Administration, to which Senator Sandiford-Garner referred earlier, is very serious in its establishment, validation, explanation and definition of what is a generic drug and what is a patent drug. Sir, Senator Sandiford-Garner stopped short of saying, really and truly, that a generic drug is truly a patent drug. Sir, based on the Food and Drug Administration, what happens is that when people apply to come onto the market they do it, let us say 20 years in advance. Sir, by the time it is checked and checked out, it might only come to be about ten years. The point is that the drug may end up being a patent drug for about 7-10 years, so that after that time the drug in reality becomes a generic drug but only yesterday it was a patent drug.

Sir, unless you are dealing with a laboratory somewhere in Afghanistan or some place like that or under some bush, really and truly, all drugs are properly made, all drugs are made to be taken by the human system, based on the regulations I have seen in my research. Therefore, to come to the public, whether in a call-in programme or wherever and to say that suddenly people in Barbados are having watered-down drugs and that the rich will live and the poor will die, I think that sometimes comments such as these coming from responsible people have to be taken seriously. Sir, I think in Barbados we know that whenever people talk about health matters... I know it is very prominent to say that some people want to go to heaven but they do not want to die. Sir, a lot of people do not want to die. I certainly do not want to die yet.

Asides.

Mr. PRESIDENT: Please address the Chair.

Senator R. A. HUNTE: Mr. President, these are serious matters. In truth and fact, I am not going to read anything at length but I am satisfied in my mind that, really and truly, generic drugs are patent drugs, they have only expired as far as the patent is concerned.

Mr. President, playing politics is one thing, Ministers do not do a lot of things, Ministers are there to implement and put policies into operation, they are not making things, they are not responsible for the bad surfacing..;

3.38 p.m.

Sir, I would not have gotten involved in this debate because it is just a validation but I think when things are put in the public domain to frighten people I think it is serious and, Sir, we need to be more responsible in our society.

Sir, I think that the work being done by those who are responsible for doing it, the doctors and the pharmacists

are the persons who formulate these things, no Minister of Government does, not even if the Minister is a doctor himself. Sir, there are regulations within the laws of Barbados that make these things valid. We make it valid here in terms of passing the laws but those persons do what they have to do and I believe that they are responsible people because, Sir, the law provides for them.

Mr. President, I get emotional over a lot of things but there are some thing that there is no need for me to get emotional because I really expect better of some people and we are not going to allow, regardless of whom it pleases or displeases, we are not going to allow people in Barbados to make irrational statement, irresponsible statements, political statements and behaving sometimes like free range birds better known as yard fowls and, Sir, sometimes we need to reign in from that and behave ourselves in a more responsible way.

Mr. President, really and truly, sometimes I hear comments. I heard some extracts on the radio from someone who I could refer to as a political neophyte referring to the Democratic Labour Party as the enemy and referring to the Democratic Labour Party as doing a lot of foolishness. Well, that is their interpretation but the point is that some times, you do not pay attention to these things but, Sir, these are serious matters in Barbados when you come to dealing with people with health matter.

Mr. President, I have said in here in my last debate on the sugar debate that we do not know where in which direction this world is going. There is nobody who can pay little or no attention to what is happening in the Middle East and think it not going to affect us. Sir, it is going to affect us, and it has begun to do that already. Sir, it is going to affect us, and the world is changing every day.

Mr. President, we do not have the answer, and when I say “we”, I do not mean we, as a Government, I mean “we” as human beings, we do not have the answer because every day things are changing and changing rapidly. Sir, I am saying that even though this should be a matter that should not engage a lot of discussion there are things that came out of this matter coming before our Chamber that we had to take it very seriously.

Mr. President, with those few remarks, I wish to beg your indulgence.

Mr. PRESIDENT: Senator Newton.

Senator the Hon. Prof. V.E. NEWTON: Mr. President, I am not equipped today to get too involved in some of the arguments that have gone on before but what I would like to say is that I congratulate the Government on the move to rationalise the Barbados Drug Service because it has long been known and thought that it was getting out

of hand, it has become a very expensive service, people were wasting drugs and so.

Mr. President, therefore, that is all I have to say, that I think it is a move in the right direction.

Mr. PRESIDENT: Senator Crichlow.

Senator the Very Reverend H.E. CRICHLLOW: Mr. President, I think that the Barbados Drug Service is doing a very job and that it should continue. Sir, I think that some people are making comments that should not be made but I think we have to live above that kind of criticism.

Mr. President, I think that the cost of the drugs should be given to those who use the Barbados Drug Service because people think that anything that is made by Government is free or cheap and, Sir, we spend a lot of money in various fields. Sir, a lot of the education we get is very expensive but it is put on Government so it is free or cheap and even poor members of the community would go and pay a lot of money that the rich can pay but they feel that they will get a much better education because they are paying for it. I think that when they receive the drugs and they see that what they have received cost \$200, they will think differently.

Mr. President, that is all that I would like to say on this matter now but, as Senator Newton just pointed out, a lot of people waste the drugs. They just go and take them because they are free, never use them and they are not aware that a lot of money is being paid for these drugs. Sir, a lot of it is ignorance, of course, in the sense of not knowing and I think we ought to help people like that. If they could see the cost of the drugs they are using, it might help.

Mr. President, I do not think that those who are able to afford drugs will have any problem paying the pharmacies to dispense them because compared with the cost of drugs that would be very cheap. Sir, if we are expecting most people to go to the polyclinics, I think we will have to provide more staff because you cannot wait for five hours and six hours, and sometimes the whole day to receive drugs. Sir, that is very hard on everybody.

Mr. President, I would advise people who now get theirs from private pharmacies to pay the very small fee and avoid all that long wait but they will have to decide for themselves. Sir, I do think that in many of our institutions where you have to pay money, like in the Licensing Authority and so on that you have to go so many days before you can be served. I would think that a lot of people do not like to pay their taxes or levies or what have you because they have to wait too long and if we are serious about collecting taxes, we should show the public that we are serious about them and not have them turned away to

come back two times and three times before they can be served.

Mr. President, thank you very much.

Mr. PRESIDENT: Senator Irene Sandiford-Garner, you have the Floor.

SENATOR Mrs. V. I. SANDIFORD-GARNER: Mr. President, thank you. I made a note of the comments made by honourable colleagues and I took particular note of the Honourable Senator Chandler's concern about the number of validations that are appearing us and, unfortunately, I have to say that there are no penalties in place for these validations not happening not occurring.

S/A41/3:48:40

Sequence 19

I do not know that you could legislate the way people do their jobs. Sir, I have to tell her there are no penalties. I am sure you will see quite a few more coming. On behalf of the Government I would certainly have to apologise to her, through you, Sir.

Mr. President, I also took the suggestion that the public pharmacies be identified in the advertisements. That is a good point. I think they are identified but I would have to check again, because I know there are members of the public like my Honourable male friend on the other side who does not really know where the Polyclinics are. I think it would be worthwhile for us to identify them for the general public and to point out where the public pharmacies are as well.

Senator Worrell made a comment about the use of the local manufacturer. That is done. All of the drugs they provide are also tested as are the other imported drugs. So we do utilise that manufacturer.

I do certainly agree with the last speaker that patients should receive, when they are clients, as we like to call them now, a receipt when they collect the medication with a breakdown of the cost of the medication that they are getting. I really do agree with that. I actually think that for services accessed within the public health service, whether it is at the Queen Elizabeth Hospital or polyclinic, when you receive that service you get a receipt with a breakdown of the cost of the service that you received, so that people will value what we have here a little more. I certainly agree with that.

I also should say that the Ministry of Health is actively engaged in educating the public regarding preventative health measures.

Asides.

MRS. V.I. SANDIFORD-GARNER: We are actively engaging the public in preventative health strategies. I think that the Ministry of Health is one of the few Ministries with a TV programme every week at prime time, where we have GIS hosting the programme and educating all ages of Barbadians about the benefits of diet and exercise. We will continue with that communication thrust. We also have public health advertisements on the use of salt, because hypertension is a major problem in this country. It has taken a frightening upward spiral.

Sir, I think the statistics that were quoted recently would have told you that we spent \$46 million on hypertension every year. That is a considerable amount of money from the budget of an island the size of this, from an economy the size of this one, and then three-quarters of the treatment administered to those patients is free. So we have to take steps to curb that upward spiral. We have the Ads on. I think most of you would have seen the advertisements regarding the use of salt, where you see someone pouring salt out of a can and seeing the salt that comes out, the salt in butter, the salt in chips, and things like that.

Sir, we are doing our best to educate the public, and it is in keeping with agreements that we would have made at the CARICOM level, when it comes to employing preventative health strategies. So we are doing our part.

Sir, we also recognise that if our medical health bill is reduced, it serves to benefit the country and if we engage in the preventative strategies, we are assured that at some point the efforts would bear fruit and we will see a reduction in that whopping medical health bill that we have to invest in every year on behalf of our people.

Mr. President, I beg that the Bill be read a second time.

The question was put to the Senate and agreed to.

On the motion of Hon. SENATOR H.L. BENN, the Senate resolved itself into Committee, Her Honour Senator Miss Kerryann F. IFILL in the Chair.

COMMITTEE

Madam CHAIRMAN: The Senate is in Committee.

Clauses 1 to 2 inclusive were called and passed.

On the motion of Hon. SENATOR H.L. BENN, 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 Hon. SENATOR H.L. BENN, the Bill was read a third time and passed and cited as the Barbados National Drug Formulary (Validation) Act, 2011.

ORDER NO. 3

RESOLUTION TO APPROVE IN ACCORDANCE WITH SECTION 5 of the crown lands (VESTING AND DISPOSAL) ACT, CAP. 225 THE VESTING IN THE NATIONAL HOUSING CORPORATION OF THE PARCELS OF LAND, THE PROPERTY FO THE CROWN, SITUATE AT HAGGATT HALL IN THE PARISH OF ST. MICHAEL IN THIS ISLAND FOR THE PURPOSE OF HOUSING DEVELOPMENT

Mr. PRESIDENT: Senator Ince.

SENATOR J.INCE: Mr. President, I rise to move the passing of a Resolution to approve in accordance with Section 5 of the Crown Lands (Vesting an Disposal) Act, Cap 225 the Vesting in the National Housing Corporation fo the parcel Crown, situate at Haggatt Hall in the parish of St. Michael in this Island for the purpose of housing development.

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Mr. President, this Resolution demonstrates another initiative of this administration to provide or to deliver affordable housing to the people of Barbados and affordable housing, Sir, not only for Barbados but people within the Caribbean region as well as those of the U.K. and the Unite3d States of America. Sir, what really is affordable housing? Mr. President, affordable housing is a complex issue and the reason why, because we have to look at housing within some parameters, from an economic standpoint, a Government standpoint, as well as from other standpoints as we relate income to persons.

Mr. President, when we speak about the spatial issue, we are looking zoning, how best can we zone in an area to deliver housing. We can also look, Sir, at dwelling size, the square footage, in order for us to construct within a reasonable range for a person to afford a home. Sir, from an economic standpoint, we can also look at production, income, rents, and demographics, the movement of people, people moving from one area to another.

Some persons may say that affordable housing has to do with supply and demand, based on an economic theory. They are those who would say, no, that affordable housing is driven by what we would call an empirical matrix and that empirical matrix seeks to relate incomes to persons and to households. Sir, be that as it may, housing solutions is not anything that is written in law. It is not anything that is written in Legislation by the United Nations.

We in Barbados have to find solutions to a housing problem and despite political difference, despite political opinions sometimes, Sir, that this national issue has to be tackled and tackled on a premise on how best we are going to resolve the problems of housing especially in this hostile economic environment. Housing does play a key role. I am confident, Sir, that without addressing how best and what housing stock is available in a country, we can result in what I would term, a housing stress. When I said housing stress, Sir, I mean simply that if we fail to address these problems, then it means that we are not going to development social capital in housing. Sir, when we say housing, we should look at developing social capital.

What do I mean by social capital? I mean by allowing persons an opportunities to create a level of wealth. A person owns a home, that home develops equity in the home. Sir, that equity can be used for educational purposes. It could be used to refinance and expand the home and it could be used for a number of reasons. Sir, once you have that equity developed in the home, you do have some form of collateral or wealth.

Sir, when we fail to provide adequate housing and our housing stock becomes inadequate, it contributes, Sir, to family disruption. When we speak of family disruption, we are speaking of a weakening in the social fabric of Barbados. Sir, when we weaken he social of a country, what we are doing, Sir, is actually weakening the civic equity within societies and demoralizing what I would term, the urban connection between a family unit. Sir, the Government fully aware of these challenges, set about on a programme to find solutions.

Sir, the programme that we set about, was outlined clearly in our Medium-term Development Strategy, which includes a HELP programme, a Rent-to-Own Programme and we looked at a Loans Programme for those persons who do not qualify under the normal banking circumstances. We identified, Sir, parishes in Barbados that are suitable for housing development and we went from St. Lucy to St. Michael to St. John to St. Thomas to St. Philip.

Sir, at Lancaster Phase 2, 41 houses are to be constructed and at Parish Land in St. Philip, 122 houses are to be constructed. Mr. President, there were questions about small contractors. We have identified 16 small contractors, eight for Parish Land, four for Lancaster Phase 1 and four for Lancaster Phase 2.

Mr. President, let me address this issue of small contractors. Many of us would have read in the newspapers and would have seen news programmes that small contractors are not getting any work but I have learnt that the persons who do well and the persons who would normally bring a project within budget and on time do not keep noise. Those persons who keep the most noise are the

ones sometimes you have to question. You cannot and I would not advise any Administration, whether Barbados Labour Party or Democratic Labour Party, to go around willy-nilly selecting small contractors or even large contractors because sometimes there are many instances...

When the previous Administration was in office, I heard complaints from Ministers of Housing that there are times when you give mobilisation fees to contractors and you cannot find them and that there are times when the project starts and two weeks into the project the project comes to a standstill. These are the types of challenges, so you do not want a situation where you just go around choosing contractors willy-nilly.

Mr. President, it is clearly articulated that we have taken the initiative to employ small contractors on projects that are suitable for small contractors. Mr. President, there are some projects that are not suitable for small contractors because they do not have the financial capacity, the labour capacity or the capital capacity to undertake some of these large projects, therefore, I would not advise this Administration nor another one to just go selecting small contractors to take on some of the massive projects that we have to undertake especially when you are borrowing loans and those large loans are guaranteed by Government. There are some projects that suit small contractors and there are some projects that have to be undertaken by large contractors, that is the reality of if you are going to manage and manage capital assets efficiently. There has to be a separation and as a result when we fail to do separations and we fail to do what is necessary, we are going to end up with a Warrens building. I have said that over and over again. There are horses for courses.

Mr. President, once we have identified through our HELP Programme a strategy, we also decide that we were going to develop some lots and we said that these lots are going to be sold to persons at \$5.00 per square foot. We have undertaken that initiative. Sir, it is not an easy task when you have persons who for many years wanted a house and could not afford one. There are persons who would never be able to afford something called my home because they do not have the means to make that down payment in today's hostile environment. There are persons who work honestly and who work hard but cannot afford to pay the legal fees to acquire their first home. There are persons who cannot afford to pay the commitment fees because their salary does not fall within that range and if they do pay the commitment fees and the legal fees, then they do not have what you would term that 10 per cent or that 15 per cent.

I want persons to understand that when you are paying for a home especially if you are going to some financial institution, that those financial institutions do not have a flat rate for down payment. There are some

institutions that may have a 10 per cent and there are some institutions that have a 15 per cent. There is no flat rate throughout Barbados to say well if I go to institution A or to institution B, the rate is 10 per cent, it varies especially for the price of land, so these are the challenges.

Sir, aware of the challenges, we decide to have a rent-to-own programme where you are going to pay rent for your unit and those rents that are paid over a period of 20 to 25 years would be equivalent to the cost of that unit. There are some units that would be sold but at the end of it that individual can say I now have in my possession a unit that I have paid for at minimum rent over a number of years. These are some of the initiatives that are undertaken.

Recently, we would have also heard of the initiatives to build high-rise buildings or high-rise units for persons in Barbados. There are also persons who would say whether or not high-rise units are feasible. Mr. President, that initiative has been looked at, studied and undertaken. I am saying that this Government is going to put their parameters in place to ensure that we have a feasible housing stock because one of the important things is to have a feasible or a viable housing stock in this country. Many times our housing stock is tested when persons are dislocated through fire. We have seen it where persons lose their home as a result of fire and then we have to look for alternative means of accommodation that sometimes can be difficult. These are the areas that are challenged by this Government.

Housing is not about just finding a spot of land, housing is a social issue that has to be dealt with and dealt with in a systematic way and in a planned format. When we are going to go about housing, it has to be done and done accordingly that persons at the end of the day... because you can deliver a house to an individual but then that individual do not feel that they are part of this society. Having a house without all the other amenities or without having all the other social infrastructure that are available to you sometimes can be a failure. This Government recognised that we need all of the other social amenities and all of the social infrastructure that would make persons feel that they are part of this society in which they live.

As we move on, we looked at the transfer of units to those persons who were living in those units for a number of years, 20 years. There were challenges but those challenges were dealt with. We also have challenges as far as at what time and in what time period should persons be allowed to have their titles. Those challenges have been looked at and dealt with.

Mr. President, the whole idea of housing in the realm of Barbados and in the realm of families and individuals has to be looked at holistically and has to be looked at based on our economic demographics. As I said before, we

are not going to solve this problem through the World Trade Organisation or through any agency. We may have funds available for it but then it has to be an initiative of Government that has to be successful and well planned.

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

Senate A41 Sequence 22

Mr. PRESIDENT: I said: "The question is..." If somebody wants to speak, they know the rules, they stand up and I will say yes, please proceed. Senator Bradshaw you have the Floor.

Senator S. J. O. BRADSHAW: Mr. President, I am obliged. Sir, while in principle there is no objection by the Opposition with respect to this Resolution on housing, in respect of the vesting of lands at Haggatt Hall, St. Michael, I rise at this point because I have not heard anything from the Honourable Senator with respect to the use of those lands at Haggatt Hall and what is the intention with respect of the current administration with respect to how they proposed to deal with the issue of housing on that particular development.

Sir, I note in an earlier debate I had raised the issue with respect to the plot of land that is being supplied to this Honourable House, so that Honourable Senators would have the opportunity to identify, ahead of time, the parcels of land, which is in question, for debate. I note, once again, that we are still not provided with that particular information. Mr. President, while I accept this particular parcel of land is smaller than the land at Mason Hall, which we debated a few weeks ago, I believe it is only 474.8 square metres, I make the point that it is important that this Honourable House has the full appraisal of all facts when we come to debate.

Sir, that said there is one thing that concerns me with the issue of housing. I say this because the current administration spends a lot of time discussing the amount of housing it has been providing, they spend a lot of time championing their HELP programme. Sir, I believe the Opposition has no difficulty with the efforts made by the current administration as it relates to providing housing accommodation for persons in Barbados. However, I think it is important that when all is said and done, they will certainly be judged on the basis of how many persons have actually acquired housing. Sir, it is not enough simply to say how much land has been acquired or how many projects have been set on the way to construction, I think that the general public will certainly gauge their performance on the basis of the delivery of this accommodation.

Mr. President, it brings me to a particular point I believe raised in the Other Place in relation to the obtaining of this land. This particular piece of land, I believe, was obtained by private treaty, and there has been much debate as it relates to the compensation issue for persons whose lands have been acquired. I note that the land was acquired on October 30th, 2009, by the Crown, from Mr. Charles F. H. Thompson. Therefore, I ask the question, first of all, whether monies have been paid to Mr. Charles F. H. Thompson for this parcel of land.

Sir, I ask this question because obviously we have heard a lot about the issue of compensation and about ensuring that persons derive their compensation in a timely manner. I believe in some cases persons have waited for as much as ten years to be compensated, so I am particularly interested to find out whether or not the individual, Mr. Charles F. H. Thompson, has actually received the monies that are due to him for this parcel of land.

Mr. President, if it is that he has, in fact, received compensation, then I am sure one can conclude that perhaps the way to go forward would be certainly to ensure that we have more situations in terms of acquisitions done by private treaty and not under the other method of acquisition. I believe this is a concern to several individuals whose land is often acquired by the Crown. I would hope there has been no special treatment in this situation given to Mr. Thompson. In fact, I may be a bit familiar with the vendor in this particular case, having had sight of some of the plans in an earlier transaction in my legal practice. Therefore, I would hope that no particular preferential treatment has been given to this particular individual.

Mr. President, I think that Government's policy as recently advocated with respect to ensuring that when homes are built in respect to their particular programme, that provision is made for persons to engage in some form of agriculture. There has been a lot of talk recently about ensuring that we make provisions for persons to be able to grow food crops, and although I have heard nothing with respect to what will actually be developed on this parcel of land, I would hope that somehow in the policy of this current administration that account is taken in ensuring that there is particular provision made for the persons who are to benefit from the acquisition of this land, to enable them to have a kitchen garden and to encourage the provision of crops on their premises.

Mr. President, although the parcel of land does not fall within the St. Michael South East constituency, which I am sure at some point in time I will represent, I must say that I am pleased to see that steps are being taken by the current administration to identify parcels of land in that constituency for acquisition for the benefit of persons living in that St. Michael area. Perhaps I am a bit hasty to

say I hope it is being acquired for persons in the St. Michael area.

Sir, I would also take this opportunity to mention that within the St. Michael South East constituency there are areas that given the over-population and the terrible housing conditions, in some instances, in some parts of the constituency, I wish the current administration will take account of those conditions and also seek to identify parcels of lands in that particular area. Mr. President, there are two areas that come to mind at this point in time to which I would wish the Honourable Senate pay attention. There is an area in Lower Burneys, not the particular area that is currently developed but there is an area in Lower Burneys that I believe may be able to facilitate some form of housing development. Sir, that land is on the eastern side of Lower Burneys. There is also land to the right side of Bussa, going towards the area of Mount Friendship. It is probably more familiar to many as Roberts Land. That is opposite Julie'N. I believe those two areas could certainly help to facilitate not just development for constituents in St. Michael South East but also those abounding and abutting Haggatt Hall area, also in St. Michael East.

Mr. President, I believe this Resolution is timely. I do not doubt that we are in a situation where housing is of critical importance to the people of Barbados but I do err on the side of caution when I say that a housing programme is certainly going to be judged on persons being able to afford housing, and that our housing policy must, at all times, ensure that we plan ahead in our development on housing. It is not enough simply to erect structures but we must always be able to come to both Honourable Houses with a forward vision as it relates to making the best housing available to the people of Barbados.

Mr. President, that ends my submission. I thank you.

Senator Rev. Dr. D. L. DURANT: Mr. President, I rise to support this land acquisition and to say that I will always give my support for the construction of houses for low and income earners in Barbados, especially at a time when land is astronomically so high. Mr. President, I also want to welcome the introduction of high-rise building in Barbados because I think that is the model that is going to take place in the future. Sir, on 166 square miles, there is not much you can do, you can do that much and no more in relation to single houses, especially in a population where many families are developing.

Sir, when we look at the St. Michael, Christ Church and St. James areas, parishes that are densely populated, I think we may have to think seriously about building up. Therefore, the high-rise feature might become a thing of the very near future.

4.28 p.m.

Sir, I am saying that because agricultural land must remain, as we have just heard from our Senator. We must have agricultural land in stock because Barbadians must be able to continue feeding themselves and putting some food on their tables and, therefore, we can do that much when it relates to housing for individuals, just single bungalows. I think that many families can be in one high-rise building is the way to go. Sir, to assume the Bajan term, "I Want to own a piece of this rock", might become irrelevant because the home you may have to buy now may be on the fifth floor or the sixth floor so that might be an irrelevant term in the near future. Sir, what I think is important is that we may need a paradigm shift in our thinking and our people may need educating in order to adapt to this different lifestyle. For example, in a high-rise building, you may not have the privilege of having your nice little back yard with a beautiful guard wall around it and having your own privacy in such an environment. Also, you may not have your clothes hang out on a clothes line in the back yard because you are on a fifth floor or a sixth floor so those things that we are accustomed to that have gone into our psyche and that we have been cultured with, we may be losing and it may cause for a major adjustment and a paradigm in our minds to adapt to that different lifestyle. Also, you may love your pets, for example, a dog, but in an environment like that you may not be able to have a pet because the neighbours in the same resident may be offended by the presence of a dog especially if they have children who are ill or whatever.

Mr. President, a lot of things we are accustomed to right now as Barbadians owning a piece of this rock and having your own private home surrounded by a guard wall and your own privacy that may be taken away but that is something that some of us have seen and have experienced as we travel overseas. Sir, therefore, I think that may be coming to our nation in the near future. It is something we have to adjust to and, therefore, some sort of teaching and educating and so forth would be able to help our people to adjust. It is a whole new system I believe we have to which we have to adapt.

Mr. President, also the small contractors being given contracts. I really applaud that idea and would love to see many more of them being awarded contracts, that is in the heart of the Government and we would want to continue promoting that aspect so that they too can have a part of this pie. In our nation, a nation as small as ours, it is important that we become innovative, very creative, begin to think outside the box and do not remain conservative in our thinking but I believe there is a whole new era that will be birth (3:40) within this nation and in the area of housing that will be something that will be quite different to our psyche.

Mr. President, with those words, I want to support the Resolution and really commend the Government on the

health initiatives, "Housing Every Last Person". Sir, I thank you.

Mr. PRESIDENT: Senator Symmonds, you have the Floor.

SENATOR K.D. SYMMONDS: Mr. President, I am obliged to you. Sir, I intend to make a very brief intervention in this debate and I am provoked to do so after having listened to the contribution of Senator Durant and, in as much as I am hearing Senator Haynesley Benn's voice, I may as well say that in my mind...

Mr. PRESIDENT: Senator Benn did not address the Chair.

Senator K. D. SYMMONDS: Mr. President, I heard a soto voce remark which may have eluded you. Sir, I wish to make some statements as well with respect to housing to which I hope Senator Benn would condescend to respond. I am watching his body language and I sense that he is anxious to speak and I would want, therefore, to address the question of the cost of living as well so that the Minister responsible for commerce can illustrate to us the extent to which he is working hand in glove with the Minister of Housing in the interest of the consumers of Barbados.

Mr. President, this is a very serious matter. Senator Durant has raised an issue with respect to small contractors. Indeed, to be fair to him, I think Senator Ince also spoke to the issue and I caught it somewhere in between that very lengthy dissertation that Senator Ince presented to this Chamber. He lost me when he made a distinction between dream houses and dream, middle-income houses and some thing of that nature. Sir, it became convoluted as he proceeded but the important point is this, I think, the construction method which has been pursued by Government up until a meeting in Haggatt Hall of last year, a public meeting at which the Barbados Labour Party mounted a platform in Haggatt Hall under the curious theme, "The Minister must go". Sir, I thought that up until (6:25)point there had been a complete dearth of evidence that small contractors were being brought into the picture with respect to housing solutions in Barbados in a satisfactory manner. Indeed, the record will reflect that during the course of that year a former director of the National Housing Corporation not only demitted office but went into a verbal battle with the Democratic Labour Party Government on the very question of the role that small contractors were playing or, in her view, not playing, with respect to what she understood to be the mandate handed to the Government by the people of Barbados.

Mr. President, now this is a very serious thing. We have to accept, I think, that there has been the introduction of the frightening spectre of what is really a potentially

monopolistic situation in which very large construction companies, the mega businesses that were enjoying an unchallenged preserve on the west coast of Barbados in all the palatial developments taking place in Barbados and which had transplanted their business across the Eastern Caribbean as well now participating in the provision of average housing solutions in this country which, previously, had been the carved out niche of small contractors.

Mr. President, the case of Coverley is an interesting case study where you have as many as

1 000 houses being developed and what you have there is almost a monopolistic situation. Sir, you know now that all the trappings of the construction site have been removed and you can drive along that highway and look across to Coverley and you do not have any blockage to your line of sight, all you see day are the cranes, day after day, lifting prefab concrete blocks and putting them into place. Sir, you do not see a mason at work, you hardly see any labourers at work and but the reality is that you are talking about 1 000 houses.

Mr. President, hand in glove with that is the point that Senator Ince makes which I must tell you, Sir, I resist with every fibre of my being. Kerri Symmonds will not accept the view that we can have, in Barbados, a situation in which you simply say, as a Government, that certain projects are not for small contractors.

Mr. PRESIDENT: I presume you mean Senator Kerri Symmonds.

Senator K. D. SYMMONDS: Yes, Sir, I mean Senator Kerri Symmonds. I am glad that you remind me of the title in here but I am speaking for myself, Sir, and I am saying that this is a very important thing. I think that we have to make a very clear position on where we stand as legislators on certain things philosophical. I do not accept that it is appropriate for a developing country, especially one struggling to protect employment levels, fighting to make sure that people are in a position to keep bread on their table, to simply say that the Government is of the view that certain projects are suitable for small contractors?

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SENATOR J.INCE: On a point of order. Senator Symmonds is misleading the Senate. I never stated that the Government if of the view that certain projects are for large contractors. I stated that there are some projects that small contractors, major projects, that small contractors would have difficulty in managing those projects because they do not have the financial capacity, or what I would term the

capital capacity to understate those large projects especially where it calls for substantial financing. That is what I said.

Mr. PRESIDENT: Point made. Senator Symmonds.

Mr. K. D. SYMMONDS: Mr. President, I made a note when Senator Ince was talking. I am not going to belabour this issue, because we can always pause the process and call for the Hansard report. We can do that, but the point is, all of that which he just said was part of the flow of language, but he also said that there were certain projects which were not suitable. Sir, I now want to say that even if you are going to mask it under the question of financial capacity, then again I have a difficulty. My difficulty became even greater, if that is the approach.

I understood Government to be in theory and in practice about creating and facilitating opportunity for people in the communities, for people to get a hand up. I understood Government to be a developmental partner for those who are disenfranchised and without power.

Sir, I am not going to stand here and say that I believe that Government should therefore try to make a small contractor build the largest hotel in your country. I am not even going to commit that Government should be making small contractors build the seven or eight storied high rise, but there are certain practical realities which we cannot allow to escape us. I use Coverley, again as a case study. Mr. President, a thousand houses, not large houses either, three-bedroom/ two-bathroom houses; two-bedroom/one-bathroom houses, 800 square feet of floor space, standard fare for the average contractor in this country historically, or so I thought. Sir, if it is that it is such a difficult thing to conceive of a way in which you can create a financial package and identify twenty of your best contractors in the island, who are small men, and give each one fifty houses as a way of saying, in the context of a recessionary trend that we are committed to ensuring that these people who have invested their well-being in creating a business for themselves, who are employing labourers, who are employing masons, who are employing carpenters, who are employing other tradesmen to work with them, who have themselves perhaps got to where they are by way of raising revenue against the very properties that they live in.

Sir, I can take you from this Place into the constituency of St. James Central where there are contractors today whose houses are mortgaged to the hilt, and there are not mortgaged because the owner of the property just want to raise money, he said, "I have a property and this property is worth half a million dollars, I managed to pay off some of the mortgage but I want to start a small business." Sir, the small black man or the medium income black man very often puts his home on the line. He goes to the bank and says, "Look, I do not have any real assets. I have the motor car and the house, but I am

prepared to put the house at your disposal to refinance the mortgage so that I can access \$80 000 or \$100 000 to start a business of my own."

Mr. President, when a man is prepared to do that, to carry his family, when he is prepared to do that to ensure that he is employing people in the districts around him, people who have a skill and would like to put that skill to work, you are going to tell me that you rule them out as unsuitable? Against what yardstick does anybody in either of these two places, where we come to represent the interest of Barbadian people, have the temerity to dismiss them as being unsuitable because there is a view, all of a sudden in this new dispensation, that Barbadians cannot do certain types of projects?

SENATOR J. INCE: On a point of order. Again, Senator Symmonds is misleading the Senate, when he is clearly stating that this administration is saying that the small contractors are unsuitable. Mr. President, Senator Symmonds made reference to Coverley. I sat here and listened. There are thirty-five small contractors at Coverley. These theatrics are not going to work. Sir, I am going to go through them with your permission, Coles Construction, Rathman Brothers Inc., Seamless Company, Powder Coating Beak, Flick Services Limited, Keith Nurse Electrical...

Mr. K. D. SYMMONDS: On a point of order. If the Senator would be so good as to give way. Sir, the Senator has a right to wrap up the debate. What he is doing now is not speaking to a point of order.

Mr. PRESIDENT: The Senator has not given way.

SENATOR J. INCE: Sir, Senator Symmonds made a very serious statement and I am going to clear it up. The Senator made reference to small contractors at Coverley. Sir, sometimes you have to allow him to rant and he has ranted enough. Sir, Coral Stone Builders, P.R. Consteel Inc., Williams Drilling, Bobby West, ABC Tiling, and Neil Mitchell. Sir, If I am allowed to mention these names but I would not go through them. I could go through all thirty-five. I have made the point. So when he is going to say that we are going to sideline small contractors, let Senator Symmonds get his facts right. Do his research, not just advice from his Chief Economist.

Mr. K. D. SYMMONDS: Mr. President, after all of that diatribe...

Mr. PRESIDENT: Senator Symmonds.

Mr. K. D. SYMMONDS: After all of that we have gotten no further. The reality is, D.R. Consteel Inc. cannot in any part of Barbados' construction sector be viewed as a small contractor. Mr. President, Williams Drilling? I think

Senator Ince has to understand the distinction between sub-contractors and small contractors charged with the principal execution of the project.

Sir, now I hear about people who are going to do tiling. They are sub-contractors. The contractor relationship is different. The process for the tiling and the electrical work to which Senator Ince refers are not the principal contract. I am saying I believe that in a Barbados today, and I stand squarely on the four corners of that point without any remorse, Mr. President, in Barbados today we have to be prepared to create a facility whereby we give the principal work to some of the small people in this country who perhaps have gone as far as to mortgage their entire livelihood, with a view to building a business. They just cannot stand by and watch it fall. That is the point I am making. I did not expect it to meet this tough resistance from a Government that alleges such a firm understanding and affinity with working class people in this country.

Sir, I want to further. If you are going to mask the argument in the context of financing, Mr. President, it is not that hard for Government to come up with a package, and as I said, you dilly up the responsibility, 50 or 60 houses to one small company, 50 or 60 to another, as the principal people responsible for doing those 50 houses. Then afterwards you can come in with the sub contracts where the man is going to do the tiling. I am not going to be bamboozle by call it a tiling company and think I am going to fall victim to the belief that is the principal contractor.

4.38 p.m.

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Mr. President, I go further because as I said to you, we are in a time of economic recession and I think that housing in Barbados is one of the areas where people feel culturally, sociologically, a commitment to try their best, to get the little piece of the rock, to do their own small thing but the Government again has to be sensitive to that reality. It is possible even in recession, Sir, to bring relief.

I ask this question of the Government. There had been talk for some time about having a Home Ownership Revolving Loan Fund for public sector workers. The Government's Manifesto, Sir, projected that it could be capitalized at startup in the sum of \$40 million. I have sat in this Chamber and I have seen requests come here, Sir, for this Chamber to lend support to curious projects not of a developmental nature economically in my judgement, a car park building at Sherbourne \$50.

If you come and tell me \$40 million to start up that Fund so that you can have a revolving fund to assist people in the public sector who are still out there trying to start

their house, Sir, I could relate to that. I do not feel and I do not care how vex Senator Ince or anybody gets with me. I feel I have a duty to say and to say in good conscience that I do not feel it is the best spend of money, when there is an opportunity to ease the financial burden on the consumer of Barbados and building houses is part of that consumption process and pattern. It is not just building a house for the purpose of the family that will live in it, it is also creating engendering employment for the people who have to build it, Sir.

Mr. President, I make the point that an increase in the tax deductions for mortgages is something that I would have considered a splendid idea because, again especially in the middle class of Barbados, which is carrying an increasing heavy burden. If the Government realizes that the bulk of the spend in this country is coming from the middle class, and if Government understood and accepted that there will come to a time when there will be a breaking point beyond which the middle class of Barbados cannot realistically so.

Sir, in an average middle class family, they have two cars. Oil is \$100 a barrel. You are carrying three children to school every day. You are feeding a family of five or six. Sir, you come to a point where you cannot continue to pay Land Tax or this and the next tax there could be a little ease on mortgages to help people to hold their house.

Sir, this Government must understand that I sat down last Sunday and marveled, and the Sunday before that in the Sunday Sun looking, Mr. President...

Asides.

Senator K.D. SYNMMONDS: I am not advertising anybody's newspaper. It is a fact and I invite Members on that side to go and look. Two Sundays ago there were 26 fore sales by financial entities in Barbados but sale by the mortgagee and last Sunday, another 20. Do you understand the triple effect that is taking place in this community, Mr. President? It is food for thought. If nothing else, I would have thought for the Minister of Commerce.

Again, I go further, Mr. President. We have to look at the reality of this situation that we face in Barbados today, where a lot of our senior citizens are hard hit by the tax impose, hard hit by the cost of living increase, hard hit by all of the things impendent upon this recession but they are seniors. They are not working any more. Many of them, Sir, have a piece of property which has value and only two people living in the property has value and only two people living in the property now, the old man and old lady together. The children have gone along about their business. They may wish to leave the property for the children. There is a concept now on the market around the world but not here, called, a Reverse Tax Credit.

Is that not the perfect time, Sir, for Government to sit with the banking community and partner that is paid off, it is valued at \$500 000. They paid for their mortgage. They own it but what they really want now is to have a little spending money, not necessarily to go on a cruise, but to be able to ride out the storm, to pay the bills to keep the car on the road, to pay the bills, Sir, to do other little things that they have to do, buy food in the supermarket. Mr. President, is it not the ripe and right time for us to have a Reverse Tax Credit in place, so that the small people in this country who are now seniors but who have spent their youthful days earning and building out something that they can show because they have their house.

Like you, Mr. President, you are a classic example because I could imagine that you could benefit from a Reverse Mortgage, a little extra money in your pocket, Sir, now that he children that you have been properly reared. It would give you an opportunity...

Senator J. INCE: Mr. President, on a point of order. Senator Symmonds is misleading the Senate. Sir, this playing to news media, I am not going to allow it. A reverse mortgage is not an instrument, nor can Government dictate a reverse mortgage. Mr. President, if Senator Symmonds reads articles or if he reads the newspaper, he would have seen that the former Government of the Central Bank stated that the difficulties are that reverse mortgages could not be undertaken by her because it is a banking sector issue. Government cannot implement any reverse mortgage. You have a homeowner. If he had stated that you can look at your Land Tax and see how Government, maybe, could adjust, I would accept it because Government is in control of Land Tax. Sir, when you are going to state about reverse mortgages and talking about Government in this, he is misleading the Senate.

Mr. PRESIDENT: Point made.

Senator K.D. SYMMONDS: Mr. President, I am again unrepentant in making the argument I make because I know that the reverse mortgage in the United States market, as well as in the Canadian market is backed by the Federal Government of the United States of America. I will say this much. Sir, if Senator Ince...

Senator J. INCE: Mr. President, on a point of order. Senator Symmonds is again misleading the Senate. Government underwrites it by taking an initiative to say we are going to secure it to reduce the risk against persons who are retired. This is different from where a reverse mortgage is created. Let him get his facts right. It is like the Government saying: "You know what? We are going to stabilize the market." It is what President Obama did.

Mr. PRESIDENT: Senator, you want to be careful how you refer to the Heads of State of other countries.

Senator J. INCE: Mr. President, my apologies.

Mr. President, when President Obama wanted to stop the hemorrhaging in the financial markets, he introduced what we call a rescue package. What Senator Symmonds is talking about is the Government of the United States of America as well as other countries underwriting the reverse mortgage. It says that we are going to mitigate or we are going to reduce the exposure to persons who are retired. They have not taken on, Sir, the product itself. It is like Government issuing guarantee to say we are going to mitigate the risk but you are going to take on the project. The initiative has to be the private sector, not the public sector.

Senator K.D. SYMMONDS: Mr. President, I make the point and I am not going to come here and allow senator Ince to sidetrack me. I know what this is about and I am also going to say to you, Sir, that the lack of ...

Asides.

Senator J.D. SYMMONDS: I am grateful to my colleague Senator Bradshaw for pointing out to me page 10 of the Democratic Labour Party's Manifesto, which Senator Ince would do well to become familiar, where they commit themselves, Sir, to initiating the concept of a reverse mortgage and exploring all surrounding circumstances with financing institutions and give incentives where necessary, to provide for dignified standards of living for our elderly in their golden years. Mr. President, the reality of this is a simple thing. We can go on nitpicking, if Senator Ince wants to do that but I did not come here for that, you know, Sir.

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I believe that there is a principle to which we need to speak. If Government is seriously interested, then Government has nothing to stop it from sitting with the banking sector and working hand in hand with the banking sector to initiate a programme whereby the banking sector and Government together can help to alleviate the problem which is being faced by seniors in this community.

Asides.

Senator K. D. SYMMONDS: I am not perturbed to be sidetracked by a Minister of Commerce, who perhaps you cannot hear, Sir, but I can, who is being heard to heckle but not being heard to be constructive on an issue which quite frankly falls squarely under the remit of the well-being of the consumers of Barbados for whom he is directly charged.

Equally, Mr. President, I congratulate Senator Ince for what was a very well-crafted, though not necessarily

directly pertinent presentation and I also congratulate you, Sir, for hearing him out fully and not applying any standards or strictures to him. Sir, if Senator Ince wanted to appeal to the ears of the Prime Minister and seek a promotion, I believe he has done so but the point is that I must speak to the well-being of the consumers of Barbados and that is the point I am making. This cannot be about the fact that Senator Ince sees himself as worthy of being in the Chamber that you called the Cabinet, that is not what I am about. I would love to see him...

Mr. PRESIDENT: I do not like interrupting the Senator but I draw to your attention that your submission must not in any way be insulting.

Senator K. D. SYMMONDS: No, Sir, I am not insulting, I was trying to be congratulatory. I am shocked that you interpreted it as insulting. I wanted to congratulate Senator Ince on making a robust presentation and it pays for himself for a promotion and I wish him well in that endeavour.

Mr. President, above and beyond my interest in Senator Ince's well-being, I have a larger interest and that is the well-being of the consumers of this country. I make the point that the housing sector provides us with an excellent opportunity to reflect on the failings of this Government to come up with useful and creative initiatives in a timely manner which would help to alleviate the burden that Barbadians are facing in this difficult financial time. Sir, I have spoken with a view to giving the Minister of Commerce who is a colleague Senator in this Chamber an opportunity to share his thoughts, assuming he has any.

Mr. PRESIDENT: The Senator has four more minutes.

Senator K. D. SYMMONDS: I am obliged Sir, for the timely reminder. As I was saying, I am given an opportunity to speak so that the Minister of Commerce who is a colleague Senator in this Chamber would have an opportunity to share such thoughts as he may be able to muster on this subject matter. I am sure that above and beyond the trivial, Senator Benn would have accepted that there is merit in trying to alleviate the financial burden faced by the consumers of Barbados. Failing that, then the person whom Senator Ince replaces might well be Senator Benn and I would not wish that for Senator Benn.

The reality is that we have a measure before us that creates two critical issues. The first is the fact that we are giving to Government or we are going to allow to be vested in Government a piece of land and we do not yet know what Government's plan for that piece of land is. Is it a piece of land in which Government is going to build houses or it is going to be then subsequently resold once the National Housing Corporation has it sold off as lots to

people who apply? If it is that you are going to build houses, the first part of my speech is relevant and germane to the issue because we would want in the Barbados Labour Party to believe that these would be housing developments which are constructed with the fullest possible participation and utilisation of the talents of our small contractors.

The second issue of concern is the one I spoke to with respect to the cost of living in Barbados. There are many component parts to this thing called housing, which impact directly on people's pockets. While the Government may wish to come in here and give me a lot of lashes, my shoulders are broad and quite frankly I can take the lashes, I would say something else too. I am not speaking for myself because I already owned my house but what I believe is that we have to make sure that other people out there who are making a legitimate claim to ownership can own too and that is why I say that if Government can bring relief, it must bring relief. If it can create a home ownership fund and it only cost by Government's own estimation \$40 million... How many times have we seen Government calling for money for projects which seem to be less worthy, less worthwhile but cost more. What could be a more useful way to spend \$40 million than creating a home ownership fund so that the public service of Barbados could make sure that they have an opportunity by rolling the money to start to offset the burden of the cost of housing in this country. Again, however Senator Ince may wish to feel about the esoteric related to a reserve mortgage, I know three things;

1. That the senior people in this country would be glad for an opportunity to get some relief;
2. I know that most of them have through dint of hard work, sweat and tears through the years emerged to their point in time where they have their properties and properties are paid off; and
3. I know that if you are seriously interested in the welfare of the people you would find a creative means of engaging the financial community so as to make sure, whether you back it, underwrite it, whatever technical language Senator Ince wants to use, that you give the old people a chance to get away from the burden of the surging prices in this country.

I am unapologetic and unrepentant on that. I think the four minutes that you gave me are up. I will not appeal for injury time. I thank you for your indulgence, Mr. President.

Mr. PRESIDENT: Senator Boyce, I presume that you are going to be wrapping up the debate? Senator Boyce you have the Floor.

Senator the Hon. D. W. BOYCE: Thank you, Mr. President. Mr. President, I just want to spend a few minutes in clearing up what I believe are some misconceptions in

the mind of some of our Senators and to counterbalance the resulting misinformation that has gone forth from this Chamber.

Mr. President, the first thing I want to remind this Chamber of is that the housing project that is being executed at the moment at Coverley is being built without any funds belonging to the Government or any funds belonging to the National Housing Corporation. There is a joint venture where the land has been put into the project and the National Housing Corporation gets paid for the land and gets paid a commission on the sale of the properties when the properties are completed and sold, so there is no Government money involved inside there.

I understand, like Senator Ince, that there are many sub-contractors, including small contractors, who are working on that project. There has been this attempt to misrepresent this project as a project where Government has somehow awarded a large contract and Government is paying a contract to some large developer to develop a project. In actual fact, these are developers who have put their money up and taken the risk without any guarantees whatsoever by Government in order to provide housing for the Barbadian people and in a price range where there is very little housing product available. I think we have to tip our hats to people who are prepared to take that risk and to provide some housing for Barbadians.

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5.09 p.m.

Mr. President, secondly, there was mention of funds by Government for a car park. I believe the car park at the Lloyd Erskine Sandiford Centre is a project that is being executed by Barbados Conference Services Limited, with a loan. Sir, that is their expenditure, Government has guaranteed the project but that car park must be placed within the context of the development of the property up there, in a way to earn income for the Barbados Conference Services Limited and therefore to reduce the call of that company on the Consolidated Fund for subsidies. Sir, for what the Barbados Conference Services Limited proposes to do, a car park is of the essence.

Mr. President, it is disingenuous for a person of the experience in Parliamentary matters as Senator Symmonds, to suggest that Government is spending the money, when Senator Symmonds knows very well that it is a guarantee of a loan for a car park within the context of a whole set of office development in that area. Sir, I only want to set the record clear. That does not show up within the expenditure of Government, it is an expenditure of the Barbados Conference Services Limited.

Mr. President, I wish to make two other points, the first is what the Government has done in respect of trying to reduce the cost of building. As you know, Government had come here very early in its administration and removed the VAT off building materials for properties below a certain price range. Government subsequently returned and raised that price range, so that more properties can qualify. Sir, it applied that new and higher price range, which I think is \$400 000, to the Housing Incentive Act, so that any developer who gets Town and Country Planning permission for the construction of properties which are to be sold at less than \$400 000, gets the concessions under that Act. Those concessions include import duties and VAT. That is of significant benefit. It is what is helping us now to be able to bring in the houses that are being constructed and to be constructed at a price which helps Barbadians to afford them.

Mr. President, it is not quite right to suggest that Government has done nothing in terms of helping to bring the cost of housing down, we have tried to contain it by removing some of the taxes. Mr. President, with respect to old age pensions, I believe we have raised the pension a number of times over the last three years. Therefore, once again, we have tried to keep our bargain to pensioners by raising their old age pension.

Finally, Mr. President, I want to remind this Honourable Chamber that not so long ago we came here to guarantee two loans, one was for \$40 million from the First Caribbean International Bank to the National Housing Corporation for the construction of low income housing; the other, a guarantee for the borrowing of \$72 million from the Caribbean Development Bank, once again, to the National Housing Corporation in order to construct low income housing.

Mr. President, we were at pains to make it very clear that the very large majority, if not all of those funds, were really being reserved for construction by small and medium-sized contractors. That is \$112 million for small and medium-sized contractors, and Government has not put any money into the hands of large contractors. Sir, even where those high-rise buildings are being done by large contractors, that is being done on the basis where those large contractors will have to find the money themselves. Government is not guaranteeing their loans, Government is seeking to buy the houses, to make them available to the people of Barbados. Where there are medium-sized contractors involved, Government has been discussing guaranteeing the loans, when those medium-sized contractors are going to have the chance to do some of the building.

Mr. President, it is important first to understand that when we were able to get the funds raised, we have given priority to those business people, some of whom Senator

Symmonds spoke about, to give them the first chance to be able to use those funds for their businesses. Sir, it is not right nor proper to imply that Government is doing nothing for small contractors, we have not spent the money which we have on big contractors. Sir, what money we had went to small contractors and we intend to spend this \$112 million primarily on small and medium-sized contractors.

Mr. President, with those words, I thank you.

Senator the Hon. HAYNESLEY LaV. BENN: Mr. President, I want to speak in support of this Resolution calling for the vesting of lands into the National Housing Corporation of the parcel of land, property of the Crown, situate at Haggatt Hall in the parish of St. Michael. Mr. President, I want to make a few brief remarks and to suggest to Senator Bradshaw, who asked the question. Senator Bradshaw said she did not know what the land would be used for but the Resolution does say that it will be used for the purpose of housing development. Sir, I want to assure you that small contractors are also going to be used in that housing development.

Mr. President, I want to compliment the Government and commend the Minister and staff of the National Housing Corporation for the work being done in the housing industry in this country. Sir, this is about the fifth or sixth time we have spoken on validations, bills or resolutions in relation to housing. Sir, I do not want to go down the road again in discussing who have built more houses and which Minister is responsible for doing most housing, that is already ground we have gone over and I wish that we would raise the bar and move to a higher level. Sir, I know that despite the best efforts, there are still persons out there who are desirous of owning their homes. We have recognised that and have made a proposal that we will help to house every last person. Sir, the past Government would have also made efforts too, they had lots of money, they had a lot of resources to play with but when we came on board, there were so many thousands of names on the list of the National Housing Corporation, who have been waiting for years to get a house.

Mr. President, the past Government had built a land bank where deposits were made but not many withdrawals to the benefit of the small people in this country. We recognised there are people who are desirous of owning a house but that there are some whose incomes are too small to acquire housing at that time. Sir, we have addressed that. Further, there are some people who own their own land and we want that something be done to help them. I believe that Government has also addressed the situation where we would want to ensure that those lots at \$5 per square foot would be made available to persons who have the land, so that they can erect housing to their satisfaction.

Mr. President, people are renting and want to move away from paying between \$600 to \$800 per month, where they can take that money and pay towards a mortgage. Sir, we want to do something about that. Sir, those who live at home and wish to move on and move up, those who are expanding their families, some people want to have two or three children and want to have their own home where they can live. We are addressing that as well.

5.18 p.m.

Mr. President, some are without land and want to be able to get a piece to build their own house to their own satisfaction and specification and Sir, we must pursue these matters. We have to look to provide land for the landless. We have the Land for the Landless Programme in agriculture and we need to make sure that we have land for the landless in housing as well.

Mr. President, that is why I think we have to take a look again at the Physical Development Plan. Sir, we have contended in this Honourable House that there are pieces of land that are rated as marginal that can house every last person in this country. We know that there are also some lands that belong to estates that are lying idle. Sir, some were in sugar cane that have come out because of the cost of production and they are losing money, some have come out of food crops because of praedial larceny and some are losing money on that and, Mr. President, I would wish that something could be done where those fertile lands that have some marginal lands attached, where the owners would like to take that stretch of marginal land, what we called grass piece and gully hill land years ago and have it sold off. I am sure that those persons with those large tracks of land could have those marginal lands sold off and they get enough land, Mr. President, I know there would plough some of that money back into agricultural production. Sir, as a matter of fact, I am hoping that we could look very seriously at our proposals right now where when we are putting people on marginal and unfertile land, that even with the housing development that we are going to do now even at Haggatt Hall, I am looking forward to making sure that those housing units have a portion of land at the back, at the side or at the front where the people can plant food. Sir, not just 800 square feet or 1 000 square feet that will take up most of the housing unit but I am going to be lobbying for an extended portion of the land that people can put up their homes and still have a piece of it, not to plant grass but to plant some fruit trees and to plant food so that the Honourable Senator Symmonds would be satisfied that at least the Minister of Commerce and Trade would have made an effort to ensure that we continue to feed ourselves.

Mr. President, we talked about houses that are being built for \$99 000 and up but I know people in the countryside who, if they had a portion of land that I spoke

about and we are able to have their families and friends to construct the houses can come in under that price, so I am hopeful that we can provide very quickly those units out there that people particularly have recommended in the St. Michael area, I am only talking about those in the countryside, can own that piece of land and then go about constructing it for themselves.

Mr. President, I want to just make a few points because when we were talking about the use of land at Haggatt Hall, Senator Bradshaw made a dim hit about how the land was obtained, perhaps by private treaty on October 2010 to a Charles F. H. Thompson and the rest of it. Sir, I am not going to get into that part about it is owned by. Sir, she wanted to find out whether the money has been paid the C.F.H. Thompson while other are waiting for ten years and stuff. Sir, if the money has been paid to him, that is testimony of a Government that is acting very quickly and is able to expedite matter. Sir, I feel very hurt where we come across people who have had their lands acquired by Government ten years and twelve years ago and have still not yet been paid. Mr. President, there are people where the Rural Development Commission went and build roads and took up people's lands even without permission and the past administration did not see it fit to even acquire it compulsory and compensate those people adequately and we have Senators who were part of the Cabinet of the pass administration ...

Senator K. D. SYMMONDS: Mr. President, on a point of order. Senator Benn is misleading this Chamber.

Mr. PRESIDENT: What he is saying is untrue.

Senator K. D. SYMMONDS: Sir, what is saying is completely untrue. (5:34) Senator Benn must know that it is completely improper to allege that Government took up people's land and did not pay them for it. Sir, we still live in a Constitutional democracy where everyone has access to the court. Sir, unless Senator Benn can produce to this Chamber or point us in the direction of some matter that has been raised in a court of Barbados where some litigant has said, "I am a citizen of this country and this is what happened to me." Sir, that is real conjecture, it is improper and unnecessary. Sir, I think that it should be struck from the record because it caused a terrible aspersion on the way in which business is done in Barbados even if Senator Benn is trying to say it is only done that way under the Barbados Labour Party. It is beneath the high level to which I have grown accustomed of associating Senator Haynesley Benn.

Mr. PRESIDENT: Senator Benn.

Senator the Hon. H.L. BENN: Mr. President, you know, sometimes we like to be very intellectually dishonest.

Mr. PRESIDENT: Senator Benn, you have to be very careful with the language you use. When you say, we like to be, you imply that Honourable Senators like to be intellectually dishonest. I would prefer if you would rephrase that sentence.

Senator the Hon. H.L. BENN: Sir, I can rephrase. I might even want to drop it and have it deleted. Sir, the point that I want to raise is that Senator Symmonds knows this. I can talk about land in Rock Hall right now, I do not want to call the owner's name where the representative has also written letters asking that the matter be addressed. There is a farmer at Barnwell Farms that Rural Development Commission took up his land and he has not been compensated for it. The land was taken up by the Rural Development Commission and all through the Urban Development Commission and Rural Development Commission, particularly Rural Development Commission, have taken up lands, built roads on those lands and the owners have not been compensated for those lands.

Senator K. D. SYMMONDS: Mr. President, on a point of order. Sir, again Senator Benn may be unwittingly misleading the Chamber. The critical part of that to which I objected is when Senator Benn said that these things have all happened without the owners' knowledge or permission. Sir, Senator Benn knows had always been and it continues to be today, that you go to the owners of the pieces of property and say what we would like to do.

Senator the Hon. H.L. BENN: Sir, the Senator had his say when people were driving home. He knew he had an audience and he was palavering. I am not going to let him sidetrack me, Mr. President. I am going to say to you that people have had their lands taken up by the Rural Development Commission and those persons have not been compensated and, Sir, the lands were taken up without their approval.

Mr. President, we came in this place and talk about validating this. I know that ordinary people, perhaps, do not understand what I mean by validation but a lot of things were done in the last administration that we are now correcting. Mr. President, I want to ask a question here. This very parcel of land, I am surer that the former administration knows about this parcel of land. I want to find out if the previous administration had not taken up this same parcel of land for the same purpose. I want Senator Symmonds and Senator Bradshaw to research that in time for the next Sitting, perhaps next Wednesday. I want them to research it to find out if the past administration did not take up this same parcel of land and did not pay up to the point in time of their departure to compensate the owner for the land, research that. Do not give me the answer now. We are coming back next Wednesday.

S/A41/5:28:40

Sequence 29

Mr. President, no special treatment was given to this individual. We have found that there are lots of parcels of land that we are now seeking not only validate but to make sure that the poor people, some of them are very poor people, are properly compensated.

Sir, an issue was raised about small contractors and large contractors. I want to say for the benefit of those persons who have doubts. Senator Symmonds referred to the land at Coverley which was adequately dealt with by Senator Darcy Boyce. I want to repeat that project there has cost Government nothing. When we were anxious to get ahead with our housing programme we joined in partnership, as the previous administration had done, but we did it with the approval of Cabinet. I would like to invite Senator Symmonds and Senator Bradshaw to read the special audit on housing and to see how many times they flogged the authority of Cabinet, under their watch. We went and sat with contractors who had their finances. The National Housing Corporation put the land resources at the disposal of the contractors and they put in their hard earned money. Yes, we know that some small contractors were concerned about that, but then they learned that these large contractors with financial resources were able to sit with this Government and put their money where their mouth was, we were able to provide land and as Minister Boyce indicated, the National Housing Corporation is being properly compensated for the land for the commission when the houses are sold.

Do not come and give the public the impression that all of the building under our Housing Every Last Person project, (HELP), is being done by large contractors while the small contractors out there are struggling and sucking salt, and they are not getting anything. That is misleading the entire public. Anyhow, the public has already judged the people who mislead them.

Sir, I heard people talk about the four corners. The Barbados Labour Party too like to talk about the four corners. They talked about when the FBI was to come down here and investigate. Oh, this is going to be disclosed, the four corners of this and the four corners of that. Somebody talked about the meeting at Haggatt Hall, under the Theme, Minister Must Go. There were the persons who were championing that.

Mr. PRESIDENT: Order please.

Hon. SENATOR H.L. BENN: Mr. President, I did not come here to make any fun. I wanted to speak on this because I know we are making every effort to house every last person in this country, but it is not going to be done a 100 per cent. I believe that at the end of the day, when we are measured, the Minister of Housing and this

Government will be given firm pass marks for the effort we have made in making sure that the thousands of names that appeared on those lists at National Housing Corporation have been substantially reduced.

Sir, there are lots of houses being constructed now. I know that people are moving into houses at Four Hill and French Village. I am praising that because I am not the person who built it. It is this Government, the Democratic Labour Party Government. I will tell Senator Symmonds for whom the land in Four Hill was earmarked. I would not tell him on the Floor of the house because I do not wish to embarrass him or embarrass his people, but I will tell him quietly at the dinner table, for whom that land was earmarked.

Mr. PRESIDENT: Senator, just remember that you are addressing the Chair and you can tell the Chair everything.

Hon. SENATOR H.L. BENN: Mr. President, my apology.

Sir, I want to say that this Government is doing everything possible to ensure that persons at all levels, the lower, middle and upper middle are looked after. I want to indicate that even though I am not wearing the Minister of Agriculture's hat, I wore it before, I will be lobbying for lands where people are given houses, that they are given an additional square foot to plant some food so that can raise our level of food production in this country, and the Minister of Commerce and Trade could feel satisfied that we are producing more food while seeking to reduce our food import bill.

Mr. President, with those words, I want to indicate that the land at Haggatt Hall that is now under the microscope in the form of a Resolution for the purpose of housing development and to assure Senator Bradshaw that small contractors ...

Asides.

Hon. SENATOR H.L. BENN: It looks like a D on the paper.

Mr. PRESIDENT: Senator, address the Chair.

Hon. SENATOR H.L. BENN: Sir, the land that we are discussing at Haggatt Hall, small contractors will be given the opportunity to work. As Senator Boyce said, the \$72 million acquired is going to be used for housing development, and the small contractors will be given an opportunity. I am happy to be involved, even if some of them formed a group as sub contractors. The point that Senator Ince was trying to make when he called them sub contractors, they are contractors.

Sir, can you imagine that you have a small contractor who is a plumber, a small contractor who is an electrician, a small contractor who is a tiler, how would a tiler get a job as a sub contractor unless the house was constructed. How would a plumber do plumbing in a house, he did not have the funds to build the house, but a large contractor had the funds to put it there and then he was able to sub contract those small sub contractors to do their plumbing, electrical work, tiling, joinery and the cupboards in the house.

Mr. President, I want to laud this Government. I want to congratulate the Minister of Housing and the National Housing Corporation. Sir, I support the Resolution.

Mr. PRESIDENT: Senator Husbands.

SENATOR H.A. HUSBANDS: Mr. President, I wanted to leave early so that I can catch a flight to go to Carnival in Trinidad, but this debate is so important that I thought that I would delay my merriment and make a slight contribution. I am grateful to Senator Boyce for outlining in a very clear and emotional... a very lucid manner, the relationship between Government, small contractors, medium size contractors, sub contractors and large contractors.

Sir, we live in a country for a period of what we refer to now as fourteen years. When we make that reference to fourteen years, we all know of the period of which we speak, where every single person in this country was a contractor.

Mr. PRESIDENT: I think that I should draw to your attention that the President has never been a contractor.

SENATOR H.A. HUSBANDS: Some, may be not you, but former politicians and their children were contractors. Sir, the Leader on the other side is an attorney, some of them go into the law courts, and he knows that every person of ill-repute, especially females, when they go to court all of them identify themselves as seamstresses. Well, every Barbadian was a contractor. You had fellows sitting on the 'block' and they were contractors. They could go down to the Urban Development Commission and the Rural Development Commission. So when you talk about small contractors or sub contractors, in that context, we have to be extremely clear and careful of what we speak, because we have legendary stories of people not knowing one side of the hammer from the next, who got contracts to build houses, small and large; to cut down ackee trees...

5.38 p.m.

Sequence 30

Senator H.A. HUSBANDS: Sir, we have legendary stories of people not knowing one sides of the hammer from the next, who got contracts to houses , small and large, to cut down ackee trees, who are contractors and small contractors. Whenever we come to housing, this issue of contractors and small contractors and sub-contractors is the favourite topic of the Leader of the other side. He mentions it every time and sometimes we on this side, in my view, are a bit defensive. In this consider to be large companies in the areas construction. There are some in other areas. Sir, like me, a former leftist, I hold no brief for large companies.

Sir, as Barbadians we do not have to go on the

defensive trying to say there were 25 contractors and two were small and this one was a plumber. All of these companies we are talking about are Barbadian-owned, Barbadian-developed and they employ hundreds of Barbadian. There is a downturn in the economy and there is a downturn particularly in construction and they, like small contractors and sub-contractors, have to get work to provide for the hundreds of Barbadians that they employ.

Sir, to come to profess now that you are this great supporter and lover and you hate big business so much you want to give everything to the small man is really in this time, a false argument. We ought to be promoting and be proud of the Barbadian companies, large or small, that are in this economy, competitive and doing good work. We ought to be promoting and be proud of the Barbadian companies, large or small, that are in the economy, competitive and doing good work. We ought to be promoting and exporting them because of the work that do overseas and be proud of the work that they have done, such as the top-class work on the west coast and not trying to give people the impression that somehow we are latter-day supporters of this small man.

Nobody goes into business to remain small. All small contractors want to become big so this idealizing of small contractors is really in my humble opinion, Mr. President, a very false argument. We sometimes on this side are too defensive. I make absolutely no apology for being proud of the large Barbadian companies in this country that do good work and employ hundreds of local people.

Sir, we understand on this side, the realities but we have not been carried away with this supposed love for small contractors and everybody could walk up. Even in this issue surrounding the damage done by Hurricane Tomas, of the things that we have been careful to do, is not just to hand out work to people because they are small contractors, but we want people that can do the work, and do it well, and do it competitively, and spend the people's wisely.

Asides.

Senator H.A. HUSBANDS: In everything there have been delays. There have been some delays in the rehabilitation as a result of Hurricane Thomas and that has been one of the issues. We are not just storm carpenters, every man with a hammer and a chisel, who could get a contractor as and a contractor, as has been practiced for 14 years under the last administration, whosoever comes is a contractor.

Sir, there are small companies, small contractors that we have worked with and we will continue to work with and develop. Mr. President, one day we hope to have these companies to such a stage that they too, can be considered to be big companies and us will all be proud.

I am very pleased with the work of the Ministry of Housing for which I make no apologies for any Barbadian contractor that they have employed, large or small. I am proud of the work that this Government is doing and I give some praise to the Minister of Housing for the projects that have been completed.

Thank you very much, Mr. President.

Asides.

The question was put to the Senate and agree to.

ORDER NO. 4 – RESOLUTION TO APPROVE IN ACCORDANCE WITH SECTION 5 OF THE LAND ACQUISITION ACT, CAP. 228 THE COMPULSORY ACQUISITION BY THE CROWN OF THE PARCEL OF CHRIST CHURCH IN THIS ISLAND, FOR THE PUBLIC PURPOSE OF HOUSING DEVELOPMENT.

Senator J. INCE: Mr. President, I rise to move the passing of a Resolution to approve in accordance with Section 5 of the Land Acquisition Act, Cap. 228 the compulsory acquisition by the Crown of the parcel of land situated at Vauxhall in the parish of Christ Church in this island for the purpose of housing development.

Mr. President, there is no need for me to elaborate on this Resolution. Sir, I beg to move that this Resolution do now pass.

The question was put to the Senate and agree to.

Senate 31E

Wednesday, March 02, 2011

Mr. PRESIDENT: It is Question Time.

Senator K. D. SYMMONDS: Question No. 1. To ask the Leader of the Senate:

1. Can the Minister state whether a negotiating team for Barbados has been constituted in order to interface with authorities of the Republic of Trinidad and Tobago on the matter of reaching a fishing agreement between the two countries? (a) If the answer is yes, will the Minister provide the names of the members of that team? (b) Further, will the Minister state the number of engagements, if any, the team has had with their Trinidad and Tobago counterparts since being constituted? 2. Will the Minister state what plans, if any, the Government has to advance a process of reaching a fishing agreement with the Republic of Trinidad and Tobago?

Question No. 2 . Further, Mr. President, to ask the Leader of the Senate:

1. Is the Minister aware of the growing public concern over the rising cost of living in Barbados? If the Minister is aware, will the Minister state what plans, if any, her Government has of addressing this concern? 2. Will the Minister please state what plans, if any, her Government has to expand the basket of goods not subject to VAT and other impositions? 3. Will the Minister state whether her Government has commissioned a comprehensive review of the extent and impact of price movement on basic foods and other items in this country since January of 2010? (a) If such a study has been commissioned, will the Minister state the findings of this study?

Mr. PRESIDENT: Thank you. Does any other Honourable Senators has a question? No. No other questions have been submitted, therefore we have ended Question Time.

ADJOURNMENT

Senator the Hon. H. L. BENN: Mr. President, that brings us to the end of Government Business for the day, I beg to move that this Senate do now adjourn until Wednesday, March 09, 2011 at 11.00 p.m.

The question that the Senate do now adjourn until Wednesday, March 09, 2011 was put and resolved in the affirmative without division and Mr. PRESIDENT adjourned the Senate accordingly.

Senate A41 Sequence 32

5.59 p.m.

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EDITORIAL NOTES — NOT PART OF THE REPORT

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

EDITORIAL QUERIES

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

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

Q2. Order No. 3, Senator the Hon. H. LaV. Benn, take-slips S:No.41 (28) to S/A41/5:28:40. About 1,450 words of Senator Benn's speech on the Haggatt Hall Resolution (from 'Mr. President, some are without land' to the paragraph on 'validating this'), including points of order by Senator K. D. Symmonds and the President's caution about 'intellectually dishonest', also appear word for word in the report of the Sitting of 4th February, 2011, inside Senator Benn's speech on the sugar bond. The passage fits this debate and is printed here. Please confirm.

Q3. Papers, item 1. The paper is listed as 'Financial Statements of Caribbean Aircraft Handling Company Limited for the Year ending March, 21, 2006', presumably 'Handling' and 31st March. Printed as in the source.

Q4. International Corporate and Trust Services Providers Bill, Senator K. D. Symmonds. After Mr. President's remark 'Just spare me as you debate', the continuation of Senator Symmonds's speech (about 640 words, beginning 'Senator KERRIE D. SYMMONDS Mr. President, perhaps I may have mis-spoken') is printed under the label 'Mr. PRESIDENT'. The passage is Senator Symmonds's. Printed as in the source.

Q5. International Corporate and Trust Services Providers Bill, second reading. Senator the Hon. Miss M. P. O. McClean's reply ends without a motion, and the next line records the Senate going into Committee; no question on the second reading is recorded. Printed as in the source.

Q6. Order No. 2, Barbados Drug Formulary (Validation) Bill. The Bill was moved by Senator Mrs. V. I. Sandiford-Garner, but the motions for Committee and third reading are recorded in the name of Hon. Senator H. L. Benn, and the Bill is cited on passing as the 'Barbados National Drug Formulary (Validation) Act, 2011'. Printed as in the source.

Q7. Order No. 4, heading. The Order heading is garbled in the source: 'THE COMPLUSORY ACQUISITION BY THE CORWN OF THE PARCEL OF CHRIST CHURCH ... FOR THE PULIC PURPOSE'; Senator J. Ince's motion names the land as at Vauxhall, Christ Church. Printed as in the source.

Q8. Speech labels. Senator K. D. Symmonds is labelled in several forms, including 'Mr. K. D. SYMMONDS', 'Senator K.D. SYNMMONDS' and 'Senator J.D. SYMMONDS'; Senator Sandiford-Garner appears as 'Senator Mrs, I. SANDIFORD-GARNER' and 'MRS. V.I. SANDIFORD-GARNER'; and Senator Husbands as 'SENATOR H..A. HUSBANDS'. Printed as in the source.

Q9. Adjournment. The Leader moves that the Senate adjourn 'until Wednesday, March 09, 2011 at 11.00 p.m.', presumably a.m. 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, 2nd March, 2011 at 11.23 a.m., with the President, His Honour Senator Dr. Brandford M. Taitt, in the Chair; prayers were led by Rev. Father Errington Massiah. Excuses were noted for Senator Peter Gilkes and Senator Sir Roy Trotman. Senator M. P. O. McClean laid four papers, among them financial statements of Caribbean International Airways Limited for the year ended 31st March, 2006 and the Annual Report of Invest Barbados for 2010. Standing Order 45(2) was suspended and four Bills were read a first time.

Senator D. W. Boyce moved the second reading of the International Corporate and Trust Services Providers Bill, 2011, in preparation since 2005. It would require providers of company and trust registration services to international business to be licensed by the Director of International Business, who could inspect them and vary or revoke licences, and would require proper records, know-your-client procedures, professional indemnity insurance and a code of ethics, in response to comments from the Caribbean Financial Action Task Force and others. Senator K. D. Symmonds said the Barbados Labour Party took no issue with the Bill but raised wider concerns over the OECD's demands since 2008, secrecy provisions, and the case of Pratt vs. Morgan. Senator R. G. Cave praised both speeches. Senator Miss S. J. O. Bradshaw asked whether the Bill served non-attorneys and non-accountants, noted that indemnity insurance could cost over \$40 000 a year for junior attorneys, and called the Director's powers in Clause 7(5) wide. Senator McClean replied, and the Bill passed Committee, Madam Deputy President in the Chair, and its third reading.

Under Order No. 2, Senator Mrs. V. I. Sandiford-Garner moved the Barbados Drug Formulary (Validation) Bill, 2011, validating some 15 years of formularies that had

not received the required Ministerial order and parliamentary approval; the 30th Edition was soon to go to Cabinet. She described the Revised Drug Formulary Committee's work with PAHO to cut duplicate drugs in each therapeutic class, and a \$13 million supplementary for public pharmacies, and rejected six weeks of 'uninformed diatribe'. Senator Dr. F. L. Chandler questioned frequent validations, saying this one was 20 years late; Senators A. R. Worrell, R. A. Hunte, the Hon. Prof. V. E. Newton and the Very Reverend H. E. Crichlow also spoke, and the Bill passed.

Under Order No. 3, Senator J. Ince moved the Resolution vesting Crown land at Haggatt Hall, St. Michael, in the National Housing Corporation for housing. Senator Bradshaw again asked that plans of the land be supplied; Senator Rev. Dr. D. L. Durant supported it; Senator Symmonds, amid repeated points of order from

Senator Ince, argued that small contractors were not getting the work, cited 26 and 20 mortgagee sales advertised on successive Sundays, and pressed the reverse mortgage promised in the Democratic Labour Party's Manifesto. Senator the Hon. D. W. Boyce said the Coverley project used no Government funds; Senator the Hon. H. LaV. Benn defended the land arrangements and the Housing Every Last Person programme; and Senator H. A. Husbands spoke of delays after Hurricane Thomas. The Resolution was agreed to, as was Order No. 4 for the compulsory acquisition of land at Vauxhall, Christ Church.

At Question Time Senator Symmonds put questions on a fishing agreement with Trinidad and Tobago and on the cost of living and the VAT-free basket. On the motion of Senator Benn the Senate was adjourned until Wednesday, 9th March, 2011.