
THE SENATE DEBATES

(UNOFFICIAL REPORT)

PARLIAMENT 2008 – 2013

THE SENATE

Wednesday, March 9, 2011

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, March 09, 2011, at 11.15 a.m.

PRESENT

His Honour Senator Sir BRANFORD M. TAITT,
B.A. (Hons.) M.A., M.B.A. (President)

Her Honour Senator Miss KERRYANN F. IFILL
(Deputy President) Senator the Hon. Miss MAXINE
O. P. McCLEAN, B.Sc., LL.B. (Hons), M.A., M.B.A.
(Minister of Foreign Affairs and Foreign Trade) (Leader of
the Senate) Senator the Hon. HAYNESLEY LaV. BENN,
G.C.M., J.P.,

(Minister of Commerce and Trade)

Senator the Hon. DARCY W. BOYCE (Minister of
State in the Office of the Prime Minister, with
responsibilities for Energy, Immigration,
Telecommunications and Investment) Senator Mrs. IRENE
SANDIFORD-GARDNER (Parliamentary Secretary in the
Ministry of Health) Senator J. INCE (Parliamentary
Secretary, Prime Minister's Office)

Senator H. A. HUSBANDS (Parliamentary
Secretary, Prime Minister's Office)

Senator P. W. B. GILKES

Senator R. A. HUNTE, J.P.

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 JOHN A. C. HUTSON, B.C.H., M.R.A.C.

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

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

Senator S.J.O. BRADSHAW, LL.B. (Hons.)

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

*Prayers were led by Senator The Very Reverend H.
E. Crichtlow.*

Mr. PRESIDENT: The Senate is in Session.

PAPERS

SENATOR the Hon. Miss M. O. P. McCLEAN: Mr.
President, I am commanded to lay the following papers:

1. Barbados Human Resource Development
Strategy, 2011-2016;
2. Estimates of Revenue and Expenditure, 2011-
2012;
3. Schedules of Personal Emoluments, 2011-2012;
4. Revised Estimates of Expenditure, Dying Heads
and Dead Heads;
5. Duties, Taxes and Other Payments (Exemption)
(Barbados Rally Club) Order, 2011.

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

SUSPENSION OF STANDING ORDERS

SENATOR the Hon. Miss M. O. P. McCLEAN: I
beg to move that Standing Order 22(1) and 45(2) be
suspended for the remainder of today's Sitting.

The question was put to the Senate and agreed to.

INTRODUCTION OF BILLS

SENATOR the Hon. Miss M. O. P. McCLEAN: Mr.
President, I beg to give notice of the following Bills:

1. Land (Titles Proceedings) Bill, 2011;
2. Claywater Bay Limited (Guarantee of Loan) Bill,
2011;

3. Income Tax (Amendment) Bill, 2011;
4. Pensions (Miscellaneous Provisions) Bill, 2011;
5. Ministers and Parliamentary Secretaries (Remuneration and Allowances) (Amendment) Bill, 2011;
6. Value Added Tax (Amendment) Bill, 2011.
7. Resolution to approve the guarantee by the Minister responsible for Finance, of the additional sum of

\$12 850 000 in the currency of the United States of America and interest thereon to be borrowed by Caves of Barbados Limited from the Caribbean Development Bank.

The question was put to the Senate and agreed to.

FIRST READING OF BILLS

SENATOR the Hon. Miss M. O. P. McCLEAN: Mr. President, I beg to move that the following Bills be read a first time:

1. Land (Titles Proceedings) Bill, 2011;
2. Claywater Bay Limited (Guarantee of Loan) Bill, 2011;
3. Income Tax (Amendment) Bill, 2011;
4. Pensions (Miscellaneous Provisions) Bill, 2011;
5. Ministers and Parliamentary Secretaries (Remuneration and Allowances) (Amendment) Bill, 2011;
6. Value Added Tax (Amendment) Bill, 2011.
7. Resolution to approve the guarantee by the Minister responsible for Finance, of the additional sum of

\$12 850 000 in the currency of the United States of America and interest thereon to be borrowed by Caves of Barbados Limited from the Caribbean Development Bank.

The question was put to the Senate and agreed to.

PUBLIC BUSINESS

ORDER No. 1

SECOND READING OF THE COMPANIES (AMENDMENT) BILL, 2011.

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

Senator the Hon. HAYNESLEY LaV. BENN: Mr. President, it is a privilege for me to lead this Companies (Amendment) Bill, 2011. This amendment seeks to address

certain loopholes identified in our legislation and in particular it seeks to address the issue of charities and non-profit organisations. The amendment to the law passed, the Special Recommendation to the Financial Action Task Force, to which Barbados is committed to implementing by virtue of its membership, the Caribbean Action Task Force.

Sequence 1

The recommendations by the Task Force provide a complete set of measures aimed at addressing money-laundering and terrorist financing.

Mr. President, there has been much discussion about Barbados's obligation as a member of the Caribbean Financial Action Task Force and certain commitments by member States. Sir, only last week I was privileged to speak to a group of students at one of our learned tertiary institution and their tutor was addressing the situation in Egypt and Libya as it relates to money-laundering and we all agree that no such situations occur in our countries in the Caribbean where leaders are accused of creaming off millions of dollars. We may further agree that there is no terrorist activity and financing in our part of the vineyard so there is, therefore, no need to focus on terrorist financing and money-laundering but, Sir, but the reality is that even if there are no such activities taking place in the Caribbean and even if we do not see ourselves being used as a conduit for terrorist financing, from an international perspective, if we were to be used as a conduit or as a medium for terrorist activities to take place, the potential fallout would be grave for our country.

Mr. President, I want to commend the staff of the Corporate Affairs Division, which was established in 1985, for the work which they have been doing over the years, as they seek to keep Barbados up to date with the rest of the world in its legislative agenda.

Sir, the Companies Act, Cap. 208 was proclaimed in 1982 and has undergone a number of changes by way of amendment and, in fact, the Act has been amended on 16 previous occasions before this amendment which is before us for consideration in this Honourable Senate today. Sir, the last amendment was done in 2004 and I would want to take this opportunity to impress on directors of companies the importance of being fully acquainted with the Companies Act and ensure that their companies, their charities and their non-profit organisations are registered in the Office of the Corporate Affairs.

Mr. President, the section of the Companies Act being considered for amendment today are Section 3 (12), Section 3 (15), Section 3 (16), Section 3 (23), Section 3 (23) (a) and Section 3 (23) (k). Sir, this amendment is necessary to make sure that non-profit organisations and

charities in Barbados are not used as conduits in terrorist financing and activities.

Sir, the word “terrorist” has been used very broadly since 9/11 and the experiences out of 9/11 show that terrorist financing activities were being conducted through non-profit organisations or through so-called charities and this has engaged the attention of Governments worldwide and bringing into focus the need for accountability and, Mr. President, this is precisely what this amendment to the Companies Act is seeking to do today.

Mr. President, the Bill, once passed will ensure that always there is someone accountable for the activities of charities and these non-profit organisations. There are presently 819 registered charities in Barbados and 606 registered non-profit organisations. Sir, these are all registered with the Corporate Affairs Division in Government and, Sir, these include churches, although there are some churches like the Anglican churches which are listed as exempt charities. Sir, all charities registered with the Corporate Office are required to file financial statements with the Corporate Office while non-profit organisations are required to file audited financial statements annually.

Mr. President, therefore, the amendment also seeks to ensure that directors have available a certain level of information and to inform the Registrar of Companies

of any changes in directorship or to management. Mr. President, that is captured under Section 3 (16) and, Sir, I would like to refer to it. It says:

“A non-profit company must have no fewer than three directors. The articles...

Mr. PRESIDENT: Senator Benn, I am sure you are aware of the Rule which says that you do not discuss details of the Bill in Second Reading.

Senator the Hon. H.L. BENN: Mr. President, thank you. I will not refer to the details but that information concerning the things that are related to directors and their responsibilities is captured in Section 3 (16). Mr. President, thank you for your guidance in the respect.

Mr. President, the proposed amendment of the Companies Act, Cap. 308 also deals with dissolution and distribution of property. Sir, as stated earlier, the amendment will ensure that at all times the public can identify someone who is accountable for the activities of the company. Sir, some of our Senators have companies and charities established...

Asides.

Senator the Hon. H.L. BENN: I am not looking at any particular person although persons are looking at me but I want to let our people know that I have a knowledge of what the charities are and where they are established. I am not referring to anyone in particular, certainly not Senator Bradshaw, and certainly not you, Mr. President because I do not know what companies she has established although I know what company she keeps. (9:08) Mr. President, note that I have not said anything concerning Senator Kerrie Symmonds because I want him to know that I also know of the charities. I would want, when he makes his contribution, that he behaves himself and knows that I have that information.

Mr. President, that information about public knowledge where the amendment ensures that the public can identify someone who is accountable is also captured in Section 3 (23).

Mr. President, the Bill also seeks to give the Attorney-General the power to examine and inquire into non-profit organisations.

Sequence 2

The Attorney General will now have the power to demand, see and examine the records of any non profit company or charity if there is any cause for an inquiry, and that information is captured in Section 323(a).

Mr. President, Government is moving to upgrade our laws and pieces of legislation which relate to our day to day activities. As I said earlier, we have been able to identify some weaknesses in our legislation and our legislative regime. This amendment to the Companies Act Chapter 3, Item 8 seeks to address these weaknesses.

I am very happy for this Bill today because we are aware of a number of organisations particularly in churches. We know a lot of attention has been focused on the churches, recently, where churches are supposed to be registered and I would also seek to encourage all churches, and there are many denominations now being set up. Mr. President, people have the impression that when senior people in congregations see the total amount of offerings collected, they seek to set up their own churches and make sure that all is well with their soul.

Sir, I would wish that all the denominations, and I know the established ones the Anglican, the Roman Catholic, the Nazarene, Pentecost, and the Baptist, obviously would have their corporate structure. Some of the Directors have Day Care Centres. Some of them have schools. Many of them have community structured within the very church organisation. I would want to encourage them whatever charity, whatever non profit, or not for profit organisation is set up with that system, that they

register the Corporate Office. Do not give any impression that there is anything to hide.

Mr. President, I also suspect, and you may be familiar in the past, may be you did not have any reason to do that, but sometimes persons who, I am told, like politicians vying for political office from time to time set up charities, not in their names, but when they wish to accept contributions from the public they lodge those contributions in the names of non profit organisations or charities. I would wish also that they too become registered with the Corporate Affairs Division so that we can capture all of this information. We can know the various companies, charities and non profit organisations that are in the country.

As a matter of fact, I take a situation like the schools. We have within schools the Teachers Associations and other charitable organisations within the school system, which from time to time collect funds from the public, because many of them make appeals to their membership and to corporate Barbados for assistance to do things for schools, building benches, installing fencing and doing quite a few things because they recognise that they cannot depend for everything from the Ministry of Education and through Government. I really laud the efforts of those hardworking Parent Teachers Associations who have cake sales, fish fries, sponsor walks and fairs on an annual basis. They have cruises and collect monies however small or great. I would want to encourage them that as long as you have that sort of structure of Presidents, Vice Presidents, Secretaries, Treasurers, et cetera, you should register with the Corporate Affairs Division to avoid any grumblings, and there have been grumblings from time to time. You hear about these grumblings at PTA levels, but you only hear about grumblings when things do not seem to go right. You want to ensure that once the Act has been amended, once we have dealt with it, today, and it has given the Attorney General the powers to demand certain information and to examine the books that there would be absolutely nothing to hide.

Sir, I would want them to adhere to the principles and policies as outlined in Section 316, where it has been indicated that non profit organisations must have no fewer than three Directors. It can have as many as it can but no fewer than three Directors. While we are at it, I believe that there might be a good call for these non profit organisations and these charitable organisations within the schools, communities and the churches to establish, to have By-Laws, to have rules and regulations that they can point towards, so that those By-Laws, rules and regulations can govern the activities of the non profit organisations and these charities.

Sir, when there is a change, may be every year, these non profit organisations and charities, let us say in the

Parent Teachers Association, may have a change in the presidency, a change in the entire committee, or might be a falling out in the committee, and often times you hear concerns that monies cannot be accounted for, or that there is a misplacement of information and funds. You would want to avoid that sort of thing. You would want to be above board and to ensure that when there is a change in the composition of the Directors, or the management of these structures that we have established, that there is a particular time, in which to inform the Registrar of Companies of the change. Once this Bill has been amended and approved today, it would indicate to you that you have fifteen days within which to inform the Register it. Mr. President, if that is not done, you are liable under the law.

Sir, I know you have indicated to me that I should not refer to it directly, but there are penalties, and in some cases you are subject to a fine of, let us say \$5 000 or six months imprisonment or both, depending perhaps on the extent of the concern.

Mr. President, I am actually urging all of us, because all of us I am sure are part of a community group, a church choir, a Parent Teachers Association, a 4-H Organisation, a school or whatever, I am urging that we comply with the regulations. That is why earlier I suggested that all Directors, all members take the opportunity to read the Companies Act. It is a fairly thick document, but it can be read in pieces, from time to time. You do not have to sit down and try to digest it one time. You can spend time understanding it, or you might even refer to the section that deals directly or specifically to your area, whether it be a church or whatever the case may be.

Sir, earlier I mentioned under section 323 (a) where the Attorney General may examine the particulars. We have not reached the stage where companies in Barbados are subject to anti terrorism links with money laundering, because I think we are very careful people here in this country. You want to be sure that once the Attorney General should seek to find out what goes wrong or what should go wrong with your organisation, that you do not have to answer any questions as they relate to money laundering or terrorist activities.

Sir, I therefore want to indicate to the Honourable Senate that in their support for the Bill at hand that we use whatever opportunities we have, and we do have opportunities, because all of us are connected to people in our communities, to instill in their minds the importance of abiding by the law.

SA 42

Mr. President, I want to recommend these changes to these amendments to the Company Act. The amendment to section 312, the amendment to section 315, the amendment

to section 316, the amendment to section 323, the amendment 323.A and 323.K. I want therefore to recommend that we give it our full support.

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

Asides.

The question was put to the Senate and agree to.

Senator K.D. SYMMONDS: I am obliged, Mr. President, and I do not intend to delay the Chamber very long on this occasion. In fact, last week I had undertaken at the very start of my contribution on the matter relating to the International Trusts and Service Providers that I would attempt to speak to both this piece of Legislation which is currently attracting our attention and the International Trust and Service Providers in one breath as it were because of the substantial similarity or concurrence of reasons why both of these pieces of Legislation have come before the House. You will recall well, Sir, that both pieces of Legislation were down on the Order Paper on the last occasion. Regrettably we only managed to deal with one of them during that day.

I am happy once again to associate the Opposition with this piece of Legislation and to pledge to Government our continued support in the words of our political leader, of all reasonable steps taken in response to the difficulties which have been confronting Barbados' international business sector from the Financial Action Task Force on one hand, the organisational and Economic Corporation and Development (OECD) on the other. Of course, Sir, the United Kingdom is not to be left out of that.

Effectively, Sir, at the core of all of this, that is before us today, is the continuing question of transparency. I think Senator Benn hit the nail on the head and I am pleased to say, Sir, that I too share the view that he has articulated that there needs to be a broad view. I do not think he put it this way but effectively what I understand him to be saying is that there needs to be a broader culture of transparency. That I think is what accurately reflects the thrusts of Senator Benn's urges and we agree with that. He went at great pains to speak to the NGO community and it is fact, Sir. When you are talking about the raft of Legislation if you are think about the raft of Legislation that will come down the pipe and I reiterate the position of the Barbados Labour Party on this matter.

Sir, it would have been a good thing and I accept that it may not be the world's most practical endeavour, but it would be a good thing if we were able to put before this Chamber, and indeed the other place, as close as possible to it all being debated on one occasion the full sweep of legislative changes that have to be identified and

implemented so that we do not keep repeating ourselves to some degree because the underpinning concerns across a number of pieces of legislative weaknesses that have been identified in Barbados by the OECD in particular when it conducted its peer review in 2011 which causes us to be moving with some degree of urgency, that really was a situation, Sir, in which a number of areas of our legislative arrangements were identified as being weak, with respect to the fullest possible disclosure of who ultimately are the beneficial owners of money sitting in bank accounts whether they be corporate accounts, the accounts of charitable institutions, or the accounts of the NGO community because as we had established last week, there are a number of vehicles that can be utilised for the purpose of conducting business. Again, there is no issue taken with this piece of Legislation.

I think Senator Benn touched on a point though, Sir, which allows us to explore a little bit further, where we are going in terms of consistency of policy, and clarity of purpose behind the policy. Let us not assume, Mr. President, for one moment that we should only come to the sovereign Parliament of Barbados to do the business of correcting pieces of Legislation that have been identified as being deficient by an external organisation or an external entity purely because the external entity says if you wish to get a passing grade by way of an assessment of your transparency for the purposes of international business that you have to meet these particular standards. Let us not reduce the sovereign Parliament of Barbados to that level.

There needs to be a clarity of purpose and a consistency of policy. I think, Mr. President, that we have, as a country come to expect and to anticipate that after there was much ado made about the - and I raise this issue largely because Senator Benn drew it to my attention and I am grateful to him - role of public figures in Barbados with respect to their conduct of the public business. The suggestion was put abroad, especially with respect to the last administration, that there was in fact a specter. It was unfortunately put abroad and I believe for narrow purposes which many prudent and right-thinking people will regret now but it was put abroad, nonetheless, that there was a specter of corruption, that there was a taint of corruption associated with the last administration. Sir, that has never been a charge which has seen the light of day by any further action carried after, what I believe was the desired effect resulting in a change of Government, when that desired effect had come to pass, therewith ended all the talk and we have to do better than that, Sir.

Happily for us as a country, we benefitted and I would be very generous to the Government, I have criticised the Government here on the Floor of this Senate repeatedly and I will speak now to the Government in congratulatory terms. We benefitted from a Manifesto of the Democratic Labour Party which spoke, I think in very

persuasive terms to the question to this business of transparency as it relates to public officials. In particular, Ministers of Government were, as I understand the Manifesto to be among the first to disclose their assets and this is where I speak now about the consistency of the policy because we come back to the same underpinning concern, transparency of the way business in which business is done, who ultimately are the beneficiaries of money and any other largess, howsoever defined, as a result of certain types of transactions. It would be happy, Sir, I would be happy and I think the House would be pleased to benefit from some sort of a exposition from anyone of the very distinguished colleagues here in the Senate on the other side, as to where we are as a country with respect to the promise and eagerly anticipated disclosure of assets. It is a matter, Sir, which I think was well canvassed and widely canvassed. Clearly it resonated with the electorate of Barbados. Clearly, Sir, there is now a sense of anticipation that better was supposed to come and therefore better must come, but for us, Sir, to remain silent on the issue, especially at a time like this when we came to the Chamber last week to deal with transparency and declaration of beneficial interest with respect to international trusts and charities. Sir, we changed the Legislation.

Sir, we have come back this week to speak in context of the Companies Act, how we change the Legislation. We will deal, Sir, with money laundering and so on and we will change the Legislation and we will back again and again and again, Sir, but we must at some stage pause to say, but look, why all of this is happening, there was also a related concern, not to suggest that any Member of this Cabinet is guilty of anything improper.

Senate A42, sequence 04, 11.53 a.m.

I would not say that, Sir, because unlike other people at another time in history, I do not believe that you just willy-nilly get up and make charges of that nature understanding the damage it could do to the country in which you live collectively, I would not do it that way.

Sir, that was done and that which is done must be forgiven but not necessarily forgotten because, as I say, we are in a happy place and time where commitments had been made and I think it is only fair that we use this opportunity to reflect a little bit, especially as Senator Benn anxiously prodded me repeatedly, on the question of what he called charities structured by politicians and to be registered with Cooperative Affairs. I am grateful to him for alerting me. Senator Benn and I enjoy that type of relationship. When he wants me to say certain things in the Senate, he knows how to prompt me and I am grateful to him.

Sir, I also want to say that there is another issue, again very much related, which is simply that as we

contemplate the amendments that must be made, I think we have to benefit at some time from a clear exposition of the Government as to what it has identified as being the areas where we are weak and what steps the Government proposes to take legislatively even before they bring them to the Chamber.

Equally, Sir, we need to hear as a country now because the secret is out... Everyone knows where we stand with respect to the Organisation for Economic Cooperation and Development, everyone knows where we stand with respect to the United Kingdom and everyone knows where we stand with respect to the fact that our Double Taxation Treaties are under assault and that we are now struggling to catch up. Sir, in the language of the Finance Minister, we were caught with our pants down. Judgement is not being brought to bear on the Government on that by the Opposition because the Opposition accepts that a lot of what transpired in the last two years, even though the Government had an abundance of warning over the last two years, is a little bit unfair to Barbados. Having said that, Sir, the country now needs to be walked through and talked through the Government's strategy, the Government's public relations programme. Again, I feel that this is the proper place for us to be hearing from one of the illustrious colleagues on the other side what it is that Cabinet has diagnosed and prescribed as being the best way forward. How do we deal in the market of a major trading partner like the United Kingdom? Beside telling me that you are going to write a couple articles in a magazine, how do we really deal with the public relations fall out from the potential of Barbados being blacklisted from 1st April? How do we deal, Mr. President, with respect to the Organisation for Economic Cooperation and Development Peer Review and the fact that we have not gotten past the first stage? How is it that we defend and promote at the same time the interest of the sector? I do not accept that it can begin and end by having an article from the Director of International Business just placed in a magazine because some will read and some will not.

There are people who pass through the island, fall in love with Barbados and would like to do a number of things. Later on today and or maybe later on this week this Chamber will come back to discuss the issue of luxury accommodation in this country, so-called capital gains for foreign investors. Sir, foreign investors will also look at the climate. One of the concerns that I raised last week and I must come back to is that in Barbados we are now labouring under a climate of uncertainty in which the penalty for a United Kingdom citizen who may be contemplating investing in a capital gain in this country, for example, a villa on the West Coast, stands, if he is found to be guilty of tax avoidance or rather evasion of a penalty of as much of 200 per cent of the value of the capital gain.

Sir, that is a very serious thing. It is a serious frontal assault on everything that we built up in the international business sector in this country. I speak in defence of that sector when I say that we therefore need to hear from the Government - we have said as an Opposition that we will partner with the Government and defend the Government in reasonable steps that the Government wants to take - that which is the Government's strategy, what does the Government sense and feel as being the best way to go forward from where we are. Yes, we are coming slowly, I do not want to say in drips and drabs, to bring changes to the legislative arrangements. Mr. President, to be fair to the Leader of Government Business, she started to articulate a few of the other pieces of legislation that either she has envisaged or Cabinet has identified as being necessary. The reality, Mr. President, is that there is to be a strategy and that strategy has to be shared with the public so that there can be a public buy-in. This, Mr. President, is a suggestion. It is, I hope, not to be interpreted as a rash criticism of the Government. It is an urging of the Government that we are dealing with a sector which is of critical importance to Barbados at a very critical time. I say to you why, Mr. President, because I do not take the matter lightly, it is a critical time precisely because of the fact that we are in the depths of a recession and we want to recover and our recovery must be driven by the receipts that we would want to project we could make from this sector which draws 65 per cent of Barbados' corporation tax receipts. If 65 per cent of the country's corporation tax receipts are placed in a position of jeopardy, then the Barbados economy is placed in a position of substantial jeopardy and by extension the wages and salaries capacity of the Government. The social security capacity of the Government, the welfare system that we have grown to believe in and the education system and the health care system free at source stand to be compromised to some extent if there is no clarity and precision in this matter so as to allow Government, Opposition, private sector and everyone who has a relevant interest in the well-being in this country and its economy to walk hand in hand as we go forward. That is the reason why I have taken the opportunity to come back to this issue and to speak to it in this way.

I think that there are two critical points that needed to be made on this issue. We accepted from last week that there are serious challenges which are facing us. The Opposition has resisted the temptation of finding fault with what, I think, are some evidence of weakness in the way in which Government has managed the situation but we have taken the higher road and said, look, this is an unfortunate state of affairs but it is a state of affairs that must be first and foremost understood that the well-being of Barbados is at stake, let us deal with that matter.

We have said to the Government that we will hold your hand and partner with you. Having said that, Mr.

President, we equally have to benefit from a clear understanding of what Government sees as the way forward, what Government sees as the critical steps that we have to take. From the diplomatic level, I want to hear a full exposition. I would want to hear from the international business level, a full exposition because there are more to the partnerships we have in the international business sector than to say that somebody would pick up a magazine that would have in an article. A key man like Senator Cave placed in a key country like Canada may miss an article but may hear the worst about Barbados, so there has to be some further step taken.

Then by extension, Mr. President, we say that we are not in this alone because the Organisation for Economic Cooperation and Development's Global Forum is a reconstituted forum with more membership than when we went to the Organisation for Economic Cooperation and Development back in 1993-94, and so therefore we expect it would be more participatory in nature.

Senate A42 Sequence 5

We cannot be the only people who have failed a Peer Review Assessment, and we are not. Therefore, we would want to hear what steps have been taken to find out whether there are persons who have lobbied for a reassessment of the way in which that type of assessment is being done.

Mr. President, equally, I think what we must hear from the Government is a definitive position on whether or not they will go forward from this day onward on Tax Information Exchange agreements because that is still a moot point. No one in the Other Place, on either sides of the Honourable House, seems to be clear and certainly I suspect no one in here has heard it being said yet. Is there or is there not a definitive position? Will Barbados use now tax information exchange agreements? I am not going to find fault with the Government on the matter, I only want to have an understanding of where the Government wants to go because we cannot work with the Government if we do not know.

Mr. Speaker, we say as well, is there a sense on the part of the Government that the Double Taxation Agreement which are by nature more broad contemplated investment, contemplating trade but are more cumbersome because they are more unwieldy and take longer to work out and therefore have to go through a longer process of time which has placed us in the situation in which we are now. Are we going to continue to work with that approach? Are we going to put a balance in place, so that you use both the Tax Information Exchange Information (TIEA) as well as the Double Taxation Agreement policy? Are you going to do away with one? Sir, these are the things that the Honourable House needs to be talked through.

Mr. President, I fear that Senator Benn, in all fairness to him, has missed a golden opportunity because he spoke very extensively, and you yourself, Sir, had to rein him in, to what may be the matter located within the four corners of the Act, as proposed but I do not think that Senator Benn has given us that macro understanding, that broader perspective with which the country needs to grasp and which must come from the Cabinet because the Cabinet is charged with giving directions on this matter. Sir, I make the point because I sense that on that side it is all too easy to perceive urgings and constructive criticism as being something less than such but there is no malice here, I assure Honourable Members on that side of that. There is a concern as a Barbadian who has been talking to people in the sector and who feels that the sector needs to be protected.

Mr. President, let us be very frank, and I want to speak to Members of the Cabinet through you, Mr. President. Sir, it was in 2008 that the Organisation for Economic Cooperation and Development States put forward their model agreement. Sir, there is a school of thought and I ask that the Government reflect on it because I am not indicting, I am only asking the Government to reflect, in 2008 there was a model agreement but in February 2011, you are still not in a position to comply. It suggests that there was an absence of satisfactory speed in bringing your arrangements into conformity with that model agreement.

Mr. President, in 2010, the United Kingdom telegraphed to the world, by way its United Kingdom Finance Act, passed in April 2010, Section 35 of the Act made it clear there will be an approach for penalties for tax evasion and that the penalty will be to create a nexus between the jurisdiction in which the tax evasion takes place and the sum of money used as a penalty, and that there will be categories of countries. We knew all this. What perhaps we did not know was that Barbados was going to find itself in the worse of the categories and therefore attracting the highest of the penalties. Mr. President, the point is that between April 2010 and where we are today, there is clearly a concern that enough was not done in order to bring us into conformity with what we had to do, to avoid being categorised as we have been.

Mr. President, it would be the easiest thing for an irresponsible Opposition to come down on the Government for that, we have chosen not to do it. What we have said is that while we are prepared to hold the Government's hand in partnership on the matter, because the financial well-being of Barbados is at stake, the reputation of Barbados is at stake and all of us have to drink out of that bowl of soup together. We do feel, however, that sense of urgency which the Organisation for Economic Cooperation and Development States projected, the sense of urgency which the United Kingdom projected, has to be taken up now by

the State, governed by the Democratic Labour Party in office. Sir, it is from that source that we now look to see and to feel what is the direction forward.

Mr. President, the other matter with respect to updating us as to where we are on the broader issue of disclosure of assets and so on, I honestly believe that the Government could play that off its pads. I honestly do not think this term of Government will come to an end and that we would have seen any disclosure of assets. I predict confidently that it will not happen. I will be the most surprised person in the world if it did. I know why it was put forward. I know what it was intended to achieve and I congratulate the spin doctors for achieving what they wanted to achieve. Mr. President, I say this, there has to be a consistency and clarity with respect to the policy and it does not do well for us as a country to set a standard today for one administration, then to condemn the administration for having reached the standard, then you come into office and pretend that standard no longer exists. Sir, the hands of time do not stand still and it is something, quite frankly, that should not be seen as a criticism. If we have crossed that bridge where no one wanted to go before since the days of the Right Excellent Errol Walton Barrow but we have come there, we have said that in Barbados we feel that there should be disclosure of assets of persons who are charged with executive responsibility. Mr. President, if that is what you say, that is what you are going to have to do and if you no longer feel so than you have to retreat from the position.

SENATOR the Hon. M.P.O. McCLEAN: On a point of order. Mr. President, the Honourable Member is misleading this Honourable Chamber by suggesting that the Government of today made promises that it certainly has no intention of keeping. Sir, while the Standing Orders of this Honourable Chamber do not permit the anticipation of legislation, I want to assure the Honourable Senator that there is draft legislation to address those issues that will be brought. Sir, to suggest that once standards are obtained and that those standards are being ignored is to mislead this Honourable Chamber. I trust that it sounds good to say what the Honourable Senator has said but it is not accurate and I would hope that the Honourable Senator would not continue to infer that nothing would be done about the issue of transparency and about declaration of assets because that very much is in the works and draft legislation will be brought.

Senator KERRIE D. SYMMONDS: Mr. President, having heard there will be draft legislation which will be brought, I noticed the emphasis that was placed on the "brought," then I believe that we have heard almost a need it and so be it, so mote it be. Sir, I will not pursue that because I know there are lots of pieces of draft legislation that were done, not by this Government or the previous one

but from the beginning of Parliamentary experience that have not come.

Mr. President, I am not going to debate that because I do not know that Senator McClean nor I would be around when or if they come, so that will be a fruitless debate. I say what I needed to say has been said, that I think there needs to be a clarity and a consistency. It is good to hear that there is draft legislation but it will be even better to see it. Sir, the point is that the spirit of that which we hope to achieve must not be lost and the spirit of that which we hope to achieve is simply this: if we are going to come to Parliament and change.

12.14 p.m.

Asides.

SENATOR K.D. SYMMONDS: Sir, I am not talking about what might come, I am talking about what is here, the Companies Act, that is being changed. Sir, what we did last week has come to pass, so if we are going to change certain things in Barbados by way of legislation so as to ensure there is a greater transparency, and there is a greater sense of understanding as to who are the ultimate owners and beneficiaries of money in certain financial institutions et cetera, and how you can get access to that money, and making an assessment by an Attorney-General calling for disclosure.

Sir, I have no problem with the Attorney-General being able to ask a non-governmental organisation to disclose what it got. I have no problem at all but then, Mr. President, let us also understand that we cannot have a set of laws for Medes and a different one for the Persians. Sir, that is the simple concern.

Mr. President, I am obliged to you for your indulgence.

Mr. PRESIDENT: Senator Boyce.

Senator the Hon. D.W. BOYCE: Mr. President, thank you. I just want in commenting on this Bill to amend the Companies Act to give it my full support as part of the effort that we have to make in the country to ensure that our legislation achieves the desired effect of making sure there is transparency in our corporate structures. Mr. President, I want, first, to deal with some of the issues which I raised last week and which Senator Symmonds has addressed again this afternoon. I believe that last week I had indicated that Government was in the process of preparing a response to the ruling by the global forum and that response also, Mr. President, to address some of the issues raised by the United Kingdom tax authorities.

Mr. President, I believe I said last week that we would look to make amendments to legislation as well as proceed with some diplomatic initiatives and that we would also engage in a media programme. It is, perhaps, a little unfortunate that right after the Leader of the Senate announced that we were laying today the Income Tax regulation, which regulation requires the tax authorities of Barbados to disclose information in accordance with the OECD standard, which we have already included in our double taxation agreements (DTA) and so long as we have signed that DTA with another country, that we have laid that this morning in the Senate but the goodly Senator chose 45 minutes thereafter to speak as if nothing had been done and that, Mr. President, is very unfortunate.

Senator K. D. SYMMONDS: Mr. President, on a point of order. Senator Boyce is misleading the Senate. I never suggested that nothing had been done. Sir, were I not in this place I would use another term but it is disingenuous of Senator Boyce to suggest that had been said when, clearly, having indicated a willingness to work with the Government and to support the Government on any reasonable action to be taken, I called an elucidation of what specific steps were planned not only legislatively, which is where he is at now, but diplomatically as well. I called for it, Sir, in terms of the workings of the sector and partners in the industry and, Mr. President, I really do not know why Senator Boyce would wish to cross swords on a matter in which no confrontation has been taken.

Mr. PRESIDENT: Senator Boyce.

SENATOR the HON. D.W. BOYCE: Thank you, Mr. President. Sir, we have laid that regulation which requires the Income Tax Commissioner to disclose information in accordance with the treaty with the standard for tax information exchange which is now the accepted international standard.

Mr. President, the Government of United Kingdom is due to review categorisations that they have made in respect of tax jurisdiction in May of this year, in another couple of month's time. The concern of the United Kingdom 's authorities seem to have been the matter of tax transparency and because our treaty with the United Kingdom is an old treaty, it did not contain the tax information exchange clause which accords with the more recent standards. Therefore, the Order which was laid this morning would amplify what was in the double taxation treaty with the United Kingdom and require Barbados to exchange information that is required to be exchanged on any citizen of United Kingdom operating here. Sir, we expect that would go a far way towards persuading the Government of the United Kingdom to revise that categorisation in our favour.

Mr. President, some officials were here this week in the global forum and I believe that our staff in the Minister of International Business meet with them this week to discuss the changes that had been approved by Cabinet and which were laid this morning in the regulation. We shall be submitting this change in the Income Tax legislation to the Global Forum Committee group and enter into discussion with them for re-assessment so that we can proceed on to phase two. We believe that we have a very good chance of them accepting this international requirement by Barbados that we will exchange tax information broadly and that will assist us in getting that review revised in our favour.

Mr. President, I believe also that a number of Ministers in the Cabinet are in the process of sending correspondence to the appropriate channels to the authorities in various countries for support of our position and for review of the United Kingdom's ruling (9:07) so that process has started in terms of the diplomatic initiatives as well as the legislative initiatives which we have here.

Mr. President, what I said last week was prospective and this week, those things have actually been done and we expecting more in the next several weeks.

Mr. President, I want to go back to the double taxation agreement process. Sir, as you are aware, and as Senator Symmonds indicated, the double taxation agreement does give you a broader instrument which helps assist you with attracting investment to the country not mainly to exchange tax information.

Sequence 7

Barbados has taken the position that we would include in our double taxation agreement, and it has been unanimous that we would go the route of double taxation agreements with the appropriate tax information exchange agreement clause.

Mr. President, there are some countries who are making it abundantly clear that they would not do double taxation agreements with anybody. I believe that my colleague would have met with some of those countries very recently. Some of those countries are countries that we believe it is in our interest to have tax information exchange agreements even if they wish to do anything else. Sir, not having those tax information agreements with those countries may put us in a position where we cannot get to form with other countries that are willing to do double taxation agreements, those Double taxation agreements. So we are continuing the approach where there is preference to double taxation agreements but where we have to, and as the first step, toward getting a double taxation agreement, or because a country does not intend whatsoever to do one, we will address the Tax Evasion Exchange Agreement

approach to make sure that we provide a framework within which the industry can continue to grow. Mr. President, I believe that approach is one which Barbados has generally accepted.

Sir, recent resistance by some countries from doing double taxation agreements at all, have also prompted us to move a little bit faster with them in the last few weeks, and we have had some meetings with some of those people.

Sir, after we got the OECD rating, transparency, for 2009, I think one would not have expected that the OECD rating, without any adverse change in our legislation, would have led us into a state where the global forum would have ranked us that way. Indeed, the very United Kingdom, which had always accepted our arrangements for double taxation agreements and tax information exchange, all of a sudden pulled this one out. We are addressing that. We will continue to address it and I am sure, Mr. President, we will succeed in getting the matter resolved in favour of our country.

Sir, on the matter of the Companies Act amendments there is section in the Companies Act (Amendment) which gives the Attorney General the power to require various examinations into charities and non profit companies. If he considers he has reason to look into the operation of those companies. That is a very progressive piece of legislation, because it allows him to determine whether a company or a charity is actually conducting affairs which they ought not to conduct in Barbados. That is a very important change in the legislation which we have. That would clearly send a signal to people that we are prepared to go into non profit companies where we consider that they are not operating in the interest of the country or the public, and do the appropriate searches and to take action to create some sort of discipline within those companies, or to close them down as the case may be.

Sir, therefore, I wish to support this amendment to the Companies Act.

I thank you.

Mr. PRESIDENT: Senator Cave you have the floor.

SENATOR R.G. CAVE: Mr. President, I endorse most of the changes proposed in the Companies Act. These measures, I understand are to reflect more comprehensively the 40 recommendations, and nine special recommendations of the Financial Action Task Force, which Barbados is committed to implement by virtue of its membership in the Caribbean Financial Action Task Force.

This piece of legislation will to bring us in line with all of the different jurisdictions, and I am very much in support of us reaching and hope that we will continue to

follow through with the other necessary pieces of legislation we need to do. Some of the points brought out by Senator Symmonds are useful to help us and guide us in the international business. Sir, I am also delighted to hear Senator Boyce's reply, to say that Barbados has acted and acted swiftly, and also that we expect we will succeed in bringing those jurisdictions into line with what we wish to do.

Mr. President, I would like to make a couple of points. In trying to bring our legislation in line with the international world, especially in the case of the dangers of terrorism and all of those things, which I do not believe we are exposed to at the moment but we could be exposed to in due course. I understand the good reasons for it and therefore the need to follow the guidelines. Sir, as a result, nearly 1 500 different charitable and non profit organisations are going to be trapped by this legislation. The result is, some of the rules in here are to be held internationally and I daresay we will have to follow them. Sir, I make the point that most of our charities and most of our non profit organisations are made up of Directors who are giving of their time to help causes. There may be one or two stray ones, but I would guess the majority are looking to do good for the community and those serving are people giving of their time. They are not going to be rewarded.

Sir, some of the penalties which are in this legislation, like filing within fifteen days of a change of Director, or within fifteen days of certain things after the results of the year are probably not going to be kept up to date by our local people. Sir, I just made that point. I know what the aim is. The aim is to make it international and to make sure that we do not get hoodlums around here who take advantage of us. So it is good to have the legislation but I just make the point that some of the requirements are difficult, and because of who we are dealing with, most people who give of their time are not really looking out for all of those little problems. So I just want to make the point that we need to show lenience in where Barbados is.

I recognise that people will have to follow through, but you may get Directors who do not wish to sit any longer, on trust, as a result of it, because of the fear that they may be exposed to six months in jail for something you really cannot keep an eye on. I just make the point.

Sir, the other matter I would like to raise is the whole issue of the international business community and to make sure that we do follow. Some of the points that Senator Symmonds has raised are a kind of guide to make sure that we spend the time in Government to achieve what we are to achieve.

Sequence 8

The international business sector, I do believe is going to be our future in this country but I am delighted to hear Senator Boyce saying how far we have already reached with it.

With that, Sir, I support this Legislation.

Asides.

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

Senator J. INCE: Mr. President, I rise to support this Bill, Sir, to amend the Companies Act. It demonstrates an effort by this administration to effectively and efficiently manage the financial services sector. These amendments are recommendations from our financial action task force and as a result, once we implement the recommendations it all says well of how this Government is going to manage our resources as well as to protect our citizens from the destabilising forces of terrorism and money laundering.

Mr. President, Barbados is part of a global economy. We are no long a little island, situated in the Caribbean acting on our own. We are signatories to many international treaties and I am not surprised, Sir, with the challenges that we have with the OECD. Mr. President, at the financial collapse, I could remember clearly that President Obama and Senators, as well as Congress men and women aired views that they were concerned about the movement of capital.

Mr. PRESIDENT: I presume you are talking about in the United States of America.

Senator J. INCE: Yes, Mr. President, in the United States of America when they were having the discussions about the collapse of Lehman Brothers and when they were having discussions about the challenges with Merrill Lynch and Bank of America. These are some of the things that we face and I am not surprised because in those statements once the United States of America said they were concerned, once the U.K. said they were concerned, the OECD was going to shift the gold post.

Sir, these are the same persons who said to us: "Listen, establish your offshore sector for the benefit of your economy." Barbados like many other Caribbean territories went ahead and implemented Legislation. We put a financial framework in place to manage our economies and to ensure that we fell within the rules and regulations as set out by them but once this financial challenge occurred and they wondered where they should look to solve the problem, they decided to point fingers at the Caribbean, not at themselves but at the Caribbean.

The G4 countries met and they stated that they were going to implement a global policy, a worldwide policy, for

financial institutions. I said again, coming out of that meeting that the Caribbean was going to be challenged because it is going to clearly state that we now have to put things in place to manage our offshore sector. We have challenges and I am one of those who strongly believe that both parties but Senator Symmonds is blaming the Democratic Labour Party and he is implying that we were negligent in carrying out the wishes of the OECD and international agencies.

Sir, the members of the Democratic Labour Party were not negligent. We came into office three years and two months ago and look at the changes that have occurred. We amended the Offshore Corporate and Services Act for persons who are providing services to the offshore sector, the international services sector. We implemented the Financial Services Commission. We are now amending the Companies Act and there are many more to come. Sir, we have accomplished all of this within this short terms in office.

Asides.

Senator J. INCE: Whenever there is a challenge in the financial sector worldwide, the Caribbean is used as a stepping stone to solve the problem and persons in the international sector must understand that. As a sovereign country we have to also protect our interest and we cannot go willy-nilly and agree to amendments and agree to any Legislation that is put before this Government. Sir, what is important in this amendment is that we are going to demonstrate to the people of Barbados that this Government is serious.

Sir, if our political stability is straightened by outside forces, we cannot identify a money launderer. An individual who launders money does not walk around with a tank on his back or a cap on his head saying I am a money launderer, check me. A terrorist does not walk around, Sir, saying I am a terrorist, or have tag or an attache case saying, I am a terrorist please talk to me. Money launderers and people involved in terrorists activities are well-dressed, drive expensive cars, speak well, have businesses.

Asides.

Senator J. INCE: Sir, you do not know who they are so it is very important that we have these measures in place. Sir, if we do not and this Government does not make attempts to regularise the industry and take time, at the same time we cannot impede the rights of our citizens so that is why we have to be clear as to what we are doing and I understand Senator Symmonds' concerns.

Mr. President, Senator Symmonds also spoke about our spin doctors and what our spin doctors did during the election campaign.

Asides.

Senator J. INCE: Sir, that is what Senator Symmonds implied but the spin doctors, Sir, were at work in the Duffus Commission, the spin doctors were at work with the Commission of Inquiry into the St. Joseph Hospital and no apologies were made. Why does Senator Symmonds want us to put to the people of Barbados and make a clear, over the air statement about perceived ghosts, goblins and witches?

Asides.

Senator J. INCE: I do not know what Senator Symmonds was talking about but we must come to the public and outline the steps to the public. Those steps, Mr. President, were outlined by our Leader of Government Business and I must congratulate the Leader of Government Business, the Minister of Foreign Affairs and Foreign Trade, Senator McClean. She has done an outstanding job as a Foreign Minister, a female thrown into an arena where she had little knowledge or training.

Asides.

Senator J. INCE: Mr. President, yesterday was International Women's Day.

Senator M.P.O. McCLEAN: Mr. President, on a point of order. The Honourable Senator is misleading the Senate when he said that the Foreign Minister had little knowledge or training. Sir, for the record, I have among other things a Master of Arts in International Affairs, granted to me by your highest university in 1982. Sir, he may not have read and that was a long time and he is a younger person but I would not want that to go abroad that I came to this Ministry ignorant of the matters.

Asides.

Senate A42, sequence 09

Mr. PRESIDENT: I was concerned that you might be raising the question that he said that you are female.

Senator J. INCE: Mr. President, let me apologise and retract, I am going to make it clear. I should have said that she had no training as a Minister. I know that her Résumé is well-represented, so I would not seek to misguide this Senate or the listening public about the Leader of Government Business Résumé, it represents itself. What I should have said is that she had no prior experience as a

Minister of Foreign Affairs and to date she has done well as far as our representation to these meetings is concerned.

Mr. President, I support the amendment. I think it is going to chart the right course for Barbados and we are going to do well as far as managing the resources of this country is concerned.

With those few words, Mr. President, I am obliged.

Mr. PRESIDENT: Senator McClean.

Senator the Hon. Miss M. P. O. McCLEAN: Thank you, Mr. President. As I rise to wrap up this debate, I just want to say that I appreciate the compliments extended by my colleague. It was done in a manner that was a little questionable in parts but I understand the sentiments.

Mr. PRESIDENT: Disconcerting.

Senator the Hon. Miss M. P. O. McCLEAN: Disconcerting and misleading but we sorted that out. I do not normally do that but I thought that it said something which he did not intend to say.

Mr. PRESIDENT: So we have established that you are female.

Senator the Hon. Miss M. P. O. McCLEAN: One hundred per cent, Sir.

I want to speak in my comments on two things because based on the contribution of the Honourable Senator on the other side we focussed less on the purpose of this amendment but perhaps more on the context and other peripheral issues related to this. As I listened to the concerns expressed by the Honourable Senator, I wondered whether he was present in mind as well as body last week when we discussed the Organisation for Economic Cooperation and Development's position, the outcomes of the deliberations of the Global Forum and the responses not only by the Honourable Senator Darcy Boyce but also myself, and that encompassed quite a lot of the discussion. Certainly, I left after the deliberations to attend a funeral but I can tell you that I listened to the proceedings from here to St. Lucy's Parish Church that evening.

The point I want to make in terms of that before I go into speaking to the amendments was that we understand the challenges that have been posed and we identified a strategy. As you would have heard from the contribution of Senator Boyce, that strategy is in place. It is not haphazard. It is not restricted to a few columns in a magazine but it would draw on the several stakeholders including the Ministers of Finance, International Business, Foreign Affairs and Foreign Trade and our missions overseas. We also would anticipate and certainly invite the participants in

the sector. I believe the Senator on the other side practises or has practised in that area and therefore we also anticipate, as he did offer, to make this a national effort drawing all the resources and using all the mechanisms that are available to us. Sir, I know the Honourable Senator and his *modus operandi* and I thank him for his assistance.

Sir, I want to speak more directly for a few moments to the amendments and the benefits of those amendments. As a member of the global community, Barbados tries at all times, as you know, Sir, to operate in a manner that allows us to stand out as a country or as a jurisdiction that adheres to the highest standards and adopts best practice. Sir, that is not to say that if we do not legislate and if we do not monitor that things may happen that are not of the best standard. The highest standards must obtain at the level of all sectors.

We boast of a Social Partnership which brings together the public sector, the private sector and labour. Of course, we can also speak in terms of three sectors as we relate to civil society. I must signal quite coincidentally that only yesterday I was invited to give an address to a seminar or a meeting organised by the Caribbean Policy Development Centre, which is an umbrella body for non-governmental organisations and civil society organisations in the Caribbean and headquartered in Barbados. Mr. President, what they were focussing on in that is of relevance to the question of the importance of legislative changes to ensure transparency, et cetera. They were talking about ways of partnering with Government to ensure and to participate in the development... In this case of Barbados and of course by extension as an umbrella body for regional organisations, the issues also reverberate in the wider CARICOM arena.

A critical point that I made in my discussions with that meeting was that as an Administration which spoke to, which made promises and which is delivering - I stress this for my colleague on the other side - on a promise to strengthen and exhibit good governance, to follow transparency, it cannot only be required of public officials, it must also be required of the private sector, large and small, and in the context of this legislation, it also has to be required of civil society or the non-governmental organisation non-profit sectors and therefore as we partner or as they operate on their own we want to encourage that.

Mr. President, from an internal perspective, this Administration is committed to going transparency and to best practice in these areas. Mr. President, as I said in some of my earlier comments, we are part of a global community, whether it is a social, economic, or political community, those being subsets of the total community in which we operate as a small but well-respected jurisdiction. We are also part of an environment which recognises the dangers of money laundering, of illegal business

transactions and the movement of capital for negative purposes, et cetera.

In recent times, in several ways and certainly coming out of the whole 9/11 situation, the world has been sensitized to the importance of transparency especially as we talk about the movement of financial resources and so on. It has also been established in the searches and other exercises undertaken to root out those entities that may be operating under the guise of bona fide non-profit organisations, charitable organisations, et cetera, entities that are seeking to finance and to engage in activities supportive of terrorism and money laundering. Sir, we therefore, as part of our commitment internally but as well as our responsibilities as part of that global community, recognised that there are several areas in which we have to upgrade our legislation and more importantly prepare to monitor and follow entities such as those.

You would have heard, Mr. President, from Senator Benn in his opening comments as he started the debate, that we have hundreds of charities. Mr. President, Senator Cave also made reference to, I think, about 1 500 charities, non-profit, et cetera, that are registered in Barbados. Sir, what this legislation is saying is look, as you seek to do good deeds, as you seek to support communities in Barbados, the poor, the disadvantaged, those persons with special needs, health, non-governmental organisations or whatever the basis of the establishment and operation of non-profitable organisations, we want you to do so in a manner that allows for easy transparency and in a manner that allows you to demonstrate that you are operating according to your stated intentions. Sir, this legislation therefore is intended to ensure that at all times there is transparency and they put in place a number of requirements.

Mr. President, I want to allay the fears of Senator Cave in respect of the desire to serve or not to serve.

Senate A42 Sequence 10

Mr. President, if I may use myself as an example, for over a 25-year period - not every year - but in that period I served as a volunteer in the Credit Union Movement. Sir, for many years that volunteerism meant that you did not even get a stipend but if you check the laws governing credit unions and the several amendments to the Act, volunteers like myself, whether we serve on the Board, Supervisory Committee or the Credit Committee, were subject to some very stiff penalties. We were doing that because of our love and commitment to a movement which made a difference in this country.

Mr. President, I used that to suggest that persons will not necessarily be deterred by strictures or penalties in the legislation. In fact, if you peruse the legislation the penalties speak to situations where there are deliberate

efforts to misrepresent information, et cetera. Therefore, I would say that in any organisation when a person seeks to perpetrate certain acts that are intended to mislead, those penalties are fear and reasonable. Sir, I do think that they are intended or if they are not intended, I do not think that they will result in persons removing themselves from service but that it simply requires... Sir, the technology now allows us to keep records whether for software packages for accounting and reporting that we can in fact be in a position to meet the standards that are required. I think this augurs well for organisations. As I said, I met with organisations yesterday and one of the recommendations I made was a principle that obtains in that movement to which I just referred. We talked about cooperation among cooperatives and many credit unions in Barbados started out by getting the assistance of other larger and successful operating credit unions. Sir, in the same way a non-governmental organisation can turn to a sister organisation for assistance in establishing. I am sure that kind of arrangement can help a lot of these entities come up to scratch, so to speak. Mr. President, I believe that with these amendments the Companies Act will allow for the better and more transparent regulation of non-profit organisations. It will allow us to go one step further to ensure that there is good governance and that the objectives of these organisations are realised.

Mr. President, with those few words, I beg to move that this Companies (Amendment) Bill, 2011, be read a second time.

The question that the Bill be read a second time was put to the Honourable Senate and agreed to.

On the separate motion of Senator the Hon. Miss M.P.O. McCLEAN, the Senate resolved itself into Committee on the Bill. Her Honour SENATOR KERRYANN F. IFILL, DEPUTY PRESIDENT, in the Chair.

COMMITTEE

MADAM DEPUTY PRESIDENT: This Honourable Senate is now in Committee.

Clauses 1 to 8, inclusive, were called and passed.

The Schedule was called and passed.

On the motion of Senator the Hon. Miss M.P.O. McCLEAN, Madam DEPUTY PRESIDENT reported to His Honour SENATOR SIR BRANFORD TAITT, the passing of one Bill in Committee, and His Honour SENATOR SIR BRANFORD TAITT resumed the Chair and reported accordingly.

On the separate motions of Senator the Hon. Miss M.P.O. McCLEAN, the Bill was read a second time and third time and passed and cited as the Companies (Amendment) Act, 2011.

SENATOR the Hon. M.P.O. McCLEAN: Mr. President, I want to give notice that during the afternoon we will debate the Land (Title Proceedings) Bill, 2011, in all its stages and the Clearwater Bay Limited (Guarantee of Loans) Bill, 2011.

SUSPENSION

SENATOR the Hon. M.P.O. McCLEAN: Mr. President, I beg to move that this Honourable Senate do now suspend until 2.05 p.m.

1.03 p.m.

Mr. President, I beg to move that this Sitting be suspended for one hour, resuming at 2.05 p.m. today. The Senate should take note of the fact that we will attempt to debate in their entirety, the Land Title Proceedings Bill, 2011 and the Clearwater Bay Limited Guarantee of Loan Bill, 2011. I hear no objections, it is so decided.

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

1.06 p.m.

Sequence 12

RESUMPTION

Mr. PRESIDENT: The Senate is resumed.

ORDER NO. 2 – IMMIGRATION (VALIDATION OF FUNCTIONS) BILL, 2011

SENATOR Hon. Miss M.P.O. McClean: Mr. President, the functions relating to the Immigration Department or the oversights of the Immigration Department fall within the very broad portfolio of the Prime Minister who in the Prime Minister's Office has functioning with him Senator Darcy Boyce, Minister in the Prime Minister's Office, and Parliamentary Secretary, The Honourable Harcourt Husbunds. During the time that these two honourable Senators have been functioning in the Prime Minister's Office, they have been assigned responsibility for activities for the oversight of the Immigration Department. In the process, they have undertaken a number of actions in pursuit of the work of the Immigration Department, and therefore to enable that process to be done according to the laws, they need to be modifications made to the relevant legislation specifically the Immigration Act. Therefore, today's debate of the

Immigration (Validation and Functions) Bill, 2011, seeks to validate and regularise actions performed by the two Honourable Senators.

I recall a similar situation when I functioned as a Minister in the Prime Minister's Office for a period of about eleven months in 2008, where in a similar fashion I would have been delegated those functions. Therefore, in order to ensure that all actions taken, by the two Senators, we need to validate via this process.

Mr. President, I want to hasten to indicate that given the nature of Government activity, ideally what we would want to see is the legislation action or work done either before or at the same time as assignment of the responsibilities, but as we know all ideal situations are not possible. Sir, not getting into or extending debate on the staffing and the workloads of the Attorney General's Chambers, the Solicitor General's Office and the Chief Parliamentary Council's Office, the reality is, they are faced on a day to day basis with substantial work which sometimes does not keep apace because of the volume. Matters like these may not keep necessarily keep apace, and it is something that we will have to deal with periodically. It is not as I said an ideal situation, but it is one certainly as we go forward and as any administration going forward would want to do is to ensure that the need for validations become less and less, and that there is a closer matching of the legislative task and the administrative task.

Sir, we would have debated several of these and I know that there have been concerns raised, but as I indicated it is not an intention to operate outside of the law, but it is one of the realities that on assuming office certain things have to be put in place immediately, and in doing so it is hoped that the several elements of the decision making process in respect of those actions, follow through.

Sir, we would have validated several matters in the past for the same kind of reasons that there often that proper or perfect matching of the decisions taken. Therefore, I believe that if we focus on the purpose of this legislation which is to, as I said, validate the actions of the two Senators, as Minister in the Prime Minister's Office and Parliamentary Secretary in the Prime Minister's Office, I think this would have taken effect from October 2010, in terms of they being assigned the responsibilities at different times at Immigration that we simply need to do this.

One of the things we would have to recognise, and I say this because as a person trained and practiced management over several years, we recognise in terms of this kind of situation, let us say that an officer is appointed, in this case a Minister or a Parliamentary Secretary, or a Minister of State is appointed, he or she has to assume immediate responsibility. There are matters that cannot be

left until the legislative arrangements are put in place. Therefore, the question do we accept the limitations of the systems, for all the reasons I articulated earlier, or do we hold up a process until we can put all of the legislative arrangements in place? I believe we would probably have to deal with the limitations and try to address the problem as quickly as possible rather than putting all activities, in the case Immigration, on pause until the necessary legislative arrangements are in place.

Mr. President, without spending more time, I believe that the steps to validate these actions and therefore to pass this piece of legislation is one that is urgent. It is important and it certainly will go towards ensuring that none of the decisions taken would be challenged on the basis on the absence of the necessary legislative framework.

I therefore ask that this Bill be read a second time.

Mr. PRESIDENT: Senator Chandler.

SENATOR Dr. F.L. CHANDLER: Mr. President, I recognise that the Government plans to deal with its immigration policy in detail in the future. While this present Bill is merely a validation Bill, I would like to make a few comments on immigration since there has been quite a lot of discussion recently in the media, especially on the call-in programmes about work permits.

Sir, I must admit that I have been disappointed in recent times about some of the requests for work permits, which I see in the newspaper, like Villa Manager, Branch Manager for a company and numerous Chefs of all different types. I would think that with the amount of money that we spend on education and also the number of courses in Hospitality Studies and Business Studies that these posts could have been filled locally. May be the continuing lack of a strong linkage between agriculture and tourism could be because we have all of these foreign Chefs that do not know how to use our local food. I can certainly attest to the fact that visitors would like to sample our local fare, but some of them are not really prepared to go to the rum shops or similar establishments to get this fare and it is usually there where it is available but in the hotels with all the fancy foreign Chefs, you do not see too much of the local food.

2.52 p.m.

Sequence 13

Sir, in spite of all of that talk about those types of work permits, if Barbados is to develop rapidly and to earn foreign exchange on the global market, we definitely need to employ the best brains and the most highly skilled people available to us in the sectors where an obvious global market potential like health, education, sports, arts

and culture, financial services, ICT, professional services, niche manufacturing, agriculture and so on. Where these are not available locally, to my mind no resistance should be given to bringing in these skills. Also in areas where our people seem just unwilling to work, there should be no problem with bringing in people from overseas to fill these places. Certainly, I will say that the Guyanese workers, if it were not for them, agriculture would have collapsed a long time ago.

Asides.

Senator Dr. F.L. CHANDLER: This process of bringing in these highly-skilled people, I think has to be conducted in a planned and organised manner. We must ensure that our people are trained by these people who are brought in. Singapore did this and did it successfully and we can do it too.

There are a number of factors which support bringing in people from overseas to fast track our development. First I would say it is the attitude of Barbadians to foreigners versus locals. In my experience over the years, in my field, in spite of all the talk about colonialism Barbadians will stand on their heads if a foreigner tells them to do so but if I try to recommend something I will get every reason why this thing cannot be implemented. I have seen it time and time again so therefore, the foreigner has a much better chance of bringing about positive change and bringing it about quickly and easily.

Secondly, apart from qualifications, foreign professionals usually have a lot of contacts on the global market which we do not have and these contacts help to get the job done. Although we may all speak English, they speak the same language, as the people on the overseas markets and I, again in my experience in agriculture, especially in agricultural exports, these people are important and they can get the job done quickly. I hasten to say that we need to bring in people who are implementers because, you know we have been described in this part of the world as suffering from implementation deficit disorder and I certainly agree with that but we do not need these types of consultants who come in and do not prove to us practically what they can do. They just pick our brains, write glossy reports, charge a lot of money and leave. Then that is the end of that project so we do not need them. We need the implementers whom we can see the results of their recommendations and their introductions.

As I mentioned before, we need to train our people. We need to make sure that anybody or any company that gets a work permit or a foreigner is training a person who can understudy to take over from that person, but we must not only accept that the company puts someone in place just to say they have someone in place. In my opinion that

person has to be a person who is competent to take over when that person leaves so it must be a person of a certain level, a certain skill and understanding because if not, as has happened many times before, the foreign person leaves and the project falls flat. Sir, we must really ensure that this training process is monitored.

I have said many times in this Honourable Chamber that the office of public sector reform in its present state serves no purpose and will never achieve its objective. To my mind, this office could be better used to carry out this monitoring process of these people who come in with work permits to make sure that the persons under them are trained and make sure how the project is going or the business is going.

Mr. President, I support this Bill before us and I trust that in the future we will see a well thought out immigration policy which will be put in place with some urgency, a policy which will facilitate the propelling of Barbados forward.

I thank you, Sir.

Asides.

Mr. PRESIDENT: Senator Cave.

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

I give support to this Bill that would validate certain acts performed by the delegates of the Minister responsible for Immigration. I understand what the Leader of Government Business, Senator McClean has explained to us why this has to come in the form of validation. I fully understand and fully support. Further to that, I would say that the delegates themselves have taken a vast interest in trying to implement things in our immigration process.

My reason for comment today, Sir, is that I know before us I do not need to talk about the validation part, but I know before us is coming, the new Immigration Act. We have seen the Green Paper. I believe the White Paper is now out and there must be final amendments to be made. The Immigration in Barbados holds a key, in my view, to a future of wealth generation in this country. There is an enormous amount of people who are wishing to exit places like the U.K., Europe and other countries and would like a place:

a) to spend their time

b) maybe the rest of their lives.

Certainly, Barbados has found itself as putting up a tourism effort to attract two week tourists and now we have people who are staying here six months. Now, those

people, I believe would like to stay longer and the world is going after two groups of people. The high net worth individuals and the highly skilled people.

In the U.K. I noted in the press a piece of coverage recently which said that the U.K. has changed their Visa policy whereby people will get permanent residence within two years if they are on the wealthier side of world and lesser so for somebody not quite so wealthy, three years and for the average person, it may take five years. The point is that people are recognising that when those people arrive:

a) They have the knowledge of how they created the wealth b) They have the wealth.

The wealth has to be managed and these people also have to spend it so it is a huge base of foreign exchange earnings for Barbados.

I believe our Immigration Policy has not really focussed on this. I do know both authorities, Senator Boyce and Senator Husbands have taken an interest and we have had many discussions in recent times and I sure they will be conscious of what I am saying. I know that they have good efforts but I am anxious that the Bill does not get before us without some formal position that Barbados is taking on it.

Britain has just come out with a formal action on it. I think the United States of America. Recently I read the Kaufman Foundation Forum that they recognised that the policy of the United States of America has to change because highly skilled immigrants create wealth. They also create jobs and the United States of America is losing by the immigrants there not being given a position fast enough.

Senate A42, sequence 14, 2.35 p.m.

Recently I read in the Kaufman Foundation Forum that the policy of the United States of America needs to change because highly-skilled immigrants create wealth and jobs and that the United States of America is losing by the immigrants there not being given a position fast enough and they are having to go back to their countries and create the wealth elsewhere.

Sir, I would like to give an example of one of the areas. Mr. Peter Boos who has been chasing an idea that Barbados should be the entrepreneurial hub of the world by 2020 has recently sent out a couple of notes to say that Barbados' policy on immigration needs to be aggressive in the sense of where we now stop those people, we need to be encouraging those people. Whether they are entrepreneurs, highly-skilled people or highly net-worth

people, all three areas, are future areas of wealth creation for Barbados.

Mr. President, I will give an example of this in a simple way through the Royal Westmoreland Golf Club. When our Prime Minister was stepping into the position of Minister of Finance in the Government of the early 90s, Westmoreland had put before them a case of special incentives to create a golf course. I remember the hot debate that took place in those days, it could have been 20 years ago, about how could we take so many hundred acres of good agricultural land and turn it into a golf course and some houses. I remember that because I was part of the debate and I was working with the late Prime Minister of those days. Fortunately, he had the vision and the knowledge of what would happen. I say this not to decry agriculture but in those days a friend of mine, Roger Manning, used to own the Westmoreland Estates and when I asked him how it did, he said they were employing 23 people and they were not making any money, so little taxes were being paid.

Today, in getting some information recently from Westmoreland, I find that apart from creating a huge nice green pasture for which it is attracting tourists to come all around the hotels, it itself had put residents in place and the Royal Westmoreland now employs about 300 people directly. Further to that, it employs people indirectly and the spending power of the people who live there goes much further afield than Barbados. In addition to that, I understand their land taxes are \$4 million, so it just shows what the simple movement of an area of agriculture into something much more stable has done for this country.

I am only using that as an item to show that quite a lot of the people there are high net-worth individuals who have brought other things to this country. They brought ideas, knowledge and many other factors. It is an area that I believe is a small sample of what we could do with encouraging those sorts of people. I will call his name. When you see Mr. Derrick Smith who is Sandy Lane and what he has done for Barbados, I would not like to say how much he spends but I am sure he employed 50 people, apart from the Sandy Lane people, just to keep his household and other amenities going, plus he does all kinds of good things. Sir, those kinds of people are something useful. Sir, once they are good, and that is an item we have to be careful about, we should be looking at a policy of immigration to encourage that stability for this country. With it comes the wealth because finally those people are going to spend the money and they are going to have wealth wherever it is in the world and they are going to need it to be managed and here is where Barbados can benefit substantially. Then you get the cases of pensions. To move the pensions from Europe into Barbados are great opportunities so that is in an area that we should be thinking about.

We are suffering with agriculture now. I know that we had a Bill here before us recently. I think it costs the country now about \$70 million a year to subsidise the sugar industry. Part of the sugar industry needs to stay. All cannot stay but we cannot afford \$70 million a year going out unless we can find something to prop it up with. Sir, that, to me, is an area that immigration holds a key for Barbados.

I support the validation process, Mr. President, and I thank you for the minutes.

Mr. PRESIDENT: Senator the Hon. Miss M. P. O. McCLEAN.

Senator the Hon. Miss M. P. O. McCLEAN: Mr. President, as I stand to wrap up the debate, I want perhaps to comment briefly on matters raised by the two Independent Senators who spoke to this validation. As you would have noted, I confined my comments to the specifics of the purpose but I believe that it is reasonable to speak in more general terms about the role and importance of the immigration function and the nature and scope of what is done by the staff and indeed the Ministers and other Government officials at the political directorate level who are assigned responsibility for immigration. Sir, I speak as the individual who dealt with matters relating to immigration for the first 11 months of the life of this Administration, that is from January 2008 to almost the end of November 2008.

Sir, let me first start in respect of CARICOM and then as a jurisdiction which is attractive to many people. Our dependence on tourism means that we have an Immigration Department which is constantly busy. Certainly in the periods leading up to the Cricket World Cup, we had a flurry of construction. At the time not only were we in the business of constructing Kensington Oval where we had non-national labour, both regional and extra-regional, but we have seen in recent years as the economies of some of our sister countries turned downwards, a particular attraction to Barbados.

Sir, I want to register very early that contrary to the belief of many people, certainly Barbados as a country, and I can speak more specifically for this Administration, is not anti-movement of Caribbean people. We are very willing to accommodate requests for work permits for example but one of the problems that we face, and I certainly faced when I assumed that position was that there was an untidiness, a breakdown even, in the system. I recall visitors to my office questioning why were there literally thousands of files stacked across my desk. This was something that appeared never to move, not because I was not doing work but there was a constant flow of files and so on.

Sir, part of the difficulties was that there were decisions that people did not seem to want to take, and just the sheer volume of work... The point I am making is that we in Barbados face the challenge as a small country of dealing with several kinds of requests.

Senate A42 Sequence 15

Mr. President, what I am proud to say is that we have been able to bring some degree of order to the growing disorder, in terms of applications.

I heard reference to a particular nationality and the demand for workers in the areas of agriculture. Sir, one of challenges that was evident during my time in immigration was that there were a number of people who were using channels to get work permits, who were not bona fide workers in the area. As such, people would have been granted work permits and in a short period of time local farmers had to come back and request additional workers because these people came in, turned up for work maybe two weeks and then disappeared. We are an island of 166 square miles and they disappeared because we are a densely populated. Sir, this created all kinds of challenges. These people, of course, would resurface after several years, claiming certain status, et cetera.

Mr. President, that kind of situation probably also to my mind serves to emphasise and highlight the need for immediate action. As I said, validation became necessary because we could not wait to delay functions and assigning tasks to Ministers who had to make decisions which were not within the purview of the immigration officials. There were some decisions that had to be taken at the level of the Minister or persons to whom the substantive Minister had assigned duties. Mr. President, I believe that, in all fairness, when we look at our systems, Barbados has tried to be even-handed and fair to all kinds of residents.

Mr. President, reference was made to persons of substantial means and while we welcome investment, while we welcome investors, we must ensure that it must never

be said that we are a jurisdiction that sells citizenship. We have seen that in countries near and far and it is something that we have to walk a very narrow line in relation to and make provisions for persons. We are a country which have a very strong villa sector. We sell real estate housing, condominium, a large villa, time-shares, et cetera, to non-nationals and people therefore will want to be comfortable that they be allowed in the country and that is the case.

Mr. President, as such there are several options. Presently for citizens outside of CARICOM, typically what obtains is that a person gets a three-month's stay. That is not to say that it is not extended. That perhaps is a

mechanism for monitoring who is in the country. It is an easy procedure for extending that. Sir, Senator Cave mentioned persons with wealth who may have been retired or because of the nature in which they generate wealth, they may be passive owners of wealth, because they are no longer running companies or they have executives running their companies, these persons can enter on what we call a five-year special entry permit. That is renewed indefinitely periodically after each five years and so there are mechanisms by which people can relatively continue to do business in Barbados.

Mr. President, the suggestion that we will now stop those persons, we should be encouraging them. I think that as we encourage, we have to encourage in an orderly fashion. Sir, in the same way that we talk about legislation to minimise or eliminate the possibility or probability of money laundering and illegal business activities and using Barbados as a haven for illegal activities, we also have to make sure that the persons who may own or handle those funds are also clearly monitored.

Mr. President, I believe that Barbados is a very open jurisdiction as far as our immigration is concerned and that we have systems in place. We have also sought to review our immigration procedures, including the Immigration Act. We have a document out there for public consideration which speaks to some of the changes but overall I think that as a small country we have to recognise that border security and national security are important and that the gatekeepers in relation to this are our immigration authorities. Therefore, there has to be a proper balance struck between ease of entry and the ability to stay. There has also to be a proper balance struck between a system that allows us to constantly monitor and be aware of persons who enter our shores and who choose either to vacation or to live on a short-term or long-term basis. I think overall we will seek to make these processes easier.

Mr. President, without delaying the discussion too long, I want to speak to initiatives undertaken, certainly within the last three years, to simplify and make easier some of the processes. As alluded to in some of our discussions today, Barbados depends heavily on its offshore business sector and one of the complaints that was frequently made in the earlier days of this administration was the difficulty in terms of processing work permits and other immigration documents for persons in that sector. Sir, without going into too much details, I recall that specific protocols were put in place to address that. I also recognised that some years ago persons involved in construction, artisans, et cetera, were not given work permits as a norm and as the building boom took root and as there was a decline in local artisans in construction, a regime was put in place to ensure that persons who required such labour and could not find it in Barbados were able to apply for work permits. Of course, at the same time,

we have to be cognizant of the concerns expressed by Senator Chandler in her opening comments, where Senator Chandler was expressing here concerns, not in that area but in others, in tourism, for example, we continue to see certain requests for work permits.

Mr. President, I will speak to that because I was part of the initiative to address that. Sir, it was a concern for me and I asked about what I thought obtained some years prior to that. My recollection as citizen of Barbados was that where we had to offer work permits for “specialist” skills, there was a corollary to that, that the entities were supposed to train and develop persons as replacements. There was supposed to be a transfer of knowledge, a development of indigenous class of managers. I remember the introduction of hotel management in Barbados almost 30 years ago, when I started teaching at the University of the West Indies and the first set of graduates had a hard time.

Asides.

SENATOR the Hon. M.P.O. McCLEAN: Mr. President, one of the very first graduates in tourism management ended up, after some efforts, working as a Food and Beverage Manager at one of what I would call one of the top-three hotels in Barbados. I also remember him being sent on a course and being called back within two weeks because the hotel could not function without him. This was a young man who had just finished a programme at university. However, over time he was lured to another jurisdiction and is now serving at the highest level in the tourism industry in Bermuda.

Mr. President, the point I am making is that there was an effort made in the past, and I argue that we have the capacity. We as a nation invest heavily in education, particularly university education and therefore it is only reasonable, fair and right that we engage our young people in that way.

2.54 p.m.

So what was done to flesh-out this whole question of matching work permits with requirement for training, I organise, Mr. President, a meeting of the Minister of Tourism, the Ministry of Education, the Immigration Department and a whole range of entities related to this whole question to look at re-instituting that policy. I believe that it is somewhere there in the system to be followed through on and, Sir, I think it is important that we do so. Mr. President, when we talk about work permits et cetera, across the system we have, as I have said before, to find that balance.

Mr. President, before I end, I want to make a comment on another area in terms of work permits. I know that recently we would have had a lot of concerns

expressed about the ability to recruit and retain domestic help in Barbados. I can tell you that it is an issue that has preoccupied the region and we have looked to address that, again, in a way that ensures that there is a structured approach to it and one that will minimise exploitation because I want to emphasise, Mr. President, that one of the things that our immigration rules and procedures also serve to do, is to minimise, as we look around, some of the exploitation that takes place in relation to immigration. Sir, I am sure that at another date, we will have what I would call a comprehensive debate as we bring that legislation to this Chamber in the future so we will have a chance to have a full debate on immigration but, Sir, in the interim I support the need for this amendment,

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

The question was put to the Senate and agreed to.

On the motion of SENATOR the HON. 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.

Clauses 1 and 2 were called and passed.

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 Immigration (Validation of Functions) Act, 2011.

ORDER NO. 3 – LAND (TITLE PROCEEDINGS) BILL,
2011.

Mr. PRESIDENT: Senator McClean.

Senator the HON. Miss M.P.O. McCLEAN: Mr. President, in this little island, 166 square miles, one in which the people are all friendly and smiling, land and land ownership is something that the average Barbadian holds dear to his heart or her heart. I always remember our elders, certainly, in my family, telling you that one of the first possession you should try to acquire is a piece of land. We know the value of land, we know its worth not only for the construction of a home but also as collateral et cetera, and the challenge often comes when persons, who are in what may be described in some circumstances, in physical

possession of a piece of land, that is, they may be occupying the land, who have been given land by relatives et cetera, by say-so, as told to them by a grandmother, a father, an aunt, an uncle or whatever, there comes a time when that individual has to establish that he or she owns the land. Of course, we hear people requesting title deeds or copies of conveyances and so on and, Sir, therein comes the difficulty.

Mr. President, the person is unable to prove that one because they may never have been physically handed a title deed, they might have one and gave it to an official, an attorney, a bank, a credit union or may have given it in safekeeping to another relative, et cetera, but these things, somehow, are no longer available, cannot be found, as I have said, never existed as far as the person is concerned because they never saw one. Therefore, they had to go through what was a difficult and exhausting process of trying to establish ownership and to get the necessary title.

Sequence 17

Mr. President, there is a procedure which obtains, because until this legislation is up in place I guess what happened in the past continues to obtain, which was extremely difficult. I know firsthand the difficulties. I was asked to assist a friend who had Power of Attorney for a property, for an elderly relative, neither person lives in Barbados at this point in time, and the owner, given her age, wanted to sell the property in order to have access to the money, but they were experiencing extreme difficulty. Of course, in most recent time they were told that the process obtained was suspended.

Sir, essentially, we had a complicated system where the individual had to rely on attorneys, the courts, and so on, to try to address this problem. I think you had situations where an affidavit had to be sworn by the claimant and that person would probably produce a number of documents supporting his or her entitlement to the land or property such as tax bills. They may have a natural physical plot of the land and they may have somebody willing to swear that I am her grandmother's best friend, and the grandmother from the day she was born said this land is for Maxine and none of her other siblings, her and her alone, and things of that nature. Sir, you had to go through a process which was difficult.

Sir, in addition to being difficult, the process was not clear and definitive. In fact we also hear of situations where persons might have fraudulently claimed the land leading to hardship, et cetera.

In other words, somebody may know that my grandmother intended it for me, but because I did not know it was her property they might have started paying the taxes and engaged in a process then to claim it, and by the time I

realise the person had actually gone through the motions claimed the land and got it handed over to them, I was out to sea, as they say, because there was no mechanism for me to seek compensation from that person who took what was lawfully mine.

Sir, I am mindful of a comment that I heard recently in which, I guess this matter falls under the law of Real Property, and I know that I am not a lawyer and I anticipate the contribution of the lawyers on this. I heard a statement which I had to right down because I found it very interesting. I think it was attributed to someone going back in ages who suggested that the Law of Real Property was tortuous and ungodly jungle. I found that description interesting. What it meant for lay persons like myself, we will have some challenges trying to ensure that we understand the process, so we will have to rely on those persons qualified to deal with these matters, and it was made more complicated by the fact that there was no clear and well articulated and documented procedure for this to happen.

So what we have in essence is that a person who is seeking to establish ownership or establish title with land is faced with a system that is time consuming. It is one in which there is a lot of uncertainty. It is one that lends itself to fraud, and at the end of the day creates hardships that often slow business transactions, that perhaps prevents persons from, for example, being able to construct a house. The transaction may be seeking to borrow money using the land as collateral. It may be a case where you actually want to construct a house but you cannot start to do so. You may want to sell the land and so on. So the whole issue of establishing ownership which is necessary is made extremely difficult. Sir, what is intended here now in this piece of legislation is that we are seeking to remedy a number of difficulties or problems in the existing arrangements.

Sir, the new legislation is intended to incorporate into the body of the legislation certain safeguards to ensure the ease of transfer and clearness of transfer. It is also intended to reduce delays and the possibility of fraud. One of the things in reading this and by understanding it, it also negates the need for writing of cheques. Let me see if I can explain this, because as I read this, I said to myself, I now see why I have no interest in law.

My understanding is, if I sought to establish ownership of the piece of land that I now occupy and I did not have the necessary title deeds, I would have to secure the services of an attorney who would then have to petition the courts, I think it is the Registrar of Titles that this is in fact mine. Having gone through the several steps, one of the ultimate steps would be, let us assume that this land is worth \$150 000 and if perhaps it was land owned by my distinguished colleague on the other side, it might be worth

half a million dollars for the piece of land. So the attorney would literally have to write a cheque for the full sum of money and hand it over to the Registrar who would then be receiving a payment, because you are actually simulating the purchase of that piece of land as a part of the process of establishing ownership. Therefore that is done with the assumption or in anticipation that there will be an almost immediate return or production of a cheque from the Registrar to cover that.

Of course, as we know, administrative steps sometimes take time and that cheque would be deposited, and in effect I either would have to hand my attorney the cheque for \$150 000, or in the case of the more affluent individual half a million dollars, and the assumption is that would be deposited and returned. Sir, if there is any lag in there you can see how it becomes a cumbersome process from a financial prospective.

Sir, we are talking about, as I said, simplifying that process to remove the requirement for such a situation. So at the end of the day what we are talking about is going through a number of steps to ensure that we make this simple that we shorten it, that we reduce the chance of fraud, as I said, and at the end of the day expedite the process of establishing title or ownership of land in a way that makes it clear, certain, and that the procedures are well articulated and entrenched in the law.

Sir, I believe that there are times when I acknowledge my limitations and this is one of them that I believe that before I say something that does not make sense to me or anybody else I would...

Mr. PRESIDENT: Just remember that the only body else it has to make sense to is the President.

SENATOR Hon. Miss M.P.O. McClean: Mr. President, that is true. I would hate to say something that does not make sense to you. Therefore, with that explanation for the rationale for this legislation against the background that what obtains now poses, I beg to move that this Bill be read a second time.

Mr. PRESIDENT: Senator Bradshaw.

SENATOR Miss S.J.O. BRADSHAW: Mr. President, I rise in support of the Land (Title Proceedings) Bill. It is not often that myself and the Leader of Government Business often agree. Usually in her closing she tends to scold me for something that I have said. I believe that today we are on the same page as it relates to this particular piece of legislation.

Sequence 18

Mr. President, I would first of all say that I support the Legislation. I believe that is well overdue because recently, with the passage of the new Supreme Court Rules, the practitioners and the legal profession found it very difficult to deal with the issue of foreclosure suits. As such, I believe that it is certainly welcome that we now have a piece a Legislation with which we can now actually start to address matters on behalf of our clients.

That said, however, Mr. President, I believe there are some in the profession who believe that the current Bill is likely to lend itself to some particular problems in practice. I say that because in some ways it lends itself to being particularly onerous on the person pursuing a particular claim. I agree with the Leader of Government Business that owning a piece of land is certainly something which most Barbadians would aspire to. However I believe the new rules as it relates to proof and evidence in trying to secure a claim may actually in some cases deter some persons from pursuing that particular claim. And so I believe that even in the past under the previous Legislation we had a situation where they were difficulties but a lot of the difficulties lay in the management in the system at the registry and there were a lot of delays as it related to settling the claims and ensuring that the appropriate title was handed to the particular claimant.

I would hope that once again, while we sit here to debate these pieces of Legislation that we do bear in mind that it is really the practice of the Legislation and the policies that are implemented in the Land Registry Department that are going to be of paramount importance in ensuring that this piece of Legislation actually has the weight to which it is being given. Sir, I would hope that as Government looks at its wider policy of ensuring that persons acquire land and as they seek to house every last person, the importance of this piece of Legislation is not undermined by the actual day-to-day efficiency of putting this piece of Legislation to actually work.

In closing, therefore, as I said my presentation intended to be brief, I believe that this is a necessary piece of Legislation, one which we will only with the passage of time determine its effectiveness but certainly we need to look at land and land acquisition on a whole, ensuring that all persons in Barbados are able to have some certainty as it relates to owning land. The implications for owning land as we know, entail that one must be able to not only own the land but be able to improve the land therefore it is important that we take all steps which are reasonable to ensure that the Legislation which we pass here today really do justice to all persons concerned.

With that I thank you, Mr. President.

Mr. PRESIDENT: Senator Hunte.

Senator R.A. HUNTE: Thank you very much, Mr. President. I rise in support of the land proceedings Bill before us for debate. Of course this is a matter once it deals with land in Barbados particularly I have to speak about what I know. It always creates some kind of concern. It has always been a concern to many persons.

I remember last week in debate there was a challenge made for anybody to come here now or to get up and say if anybody is trying to steal land from them. I do not know if you could steal land, based on the description that I see here in Chapter 236 of the Laws of Barbados where, Sir, the land is defined to me the surface of the earth, that is Chapter 236 I, the space above it and the things below it, Sir, and of course it goes on to explain what that simplifies.

Since, Sir, conveyance comes before land, maybe I should quote that. Of course conveyance includes any instrument other than a will, consisting of or comprising a transfer, mortgage or other charge, lease, assent, vesting declaration, disclaimer, release or other assurance of property or of an interest therein.

Mr. PRESIDENT: Senator, for the assistance of the reporters, could you say where you are quoting from, please.

Senator R.A. HUNTE: Sir, chapter 236 I of the Laws of Barbados.

Mr. PRESIDENT: You may continue.

Senator R.A. HUNTE: Thank you very much, Sir.

Sir, these matters said in known quarters to be the matter which we are debating now is over 100 years. Sir, 100 years from the point of view that they do not want to say, fictitious, but the title suit, Sir, was fictitious. That is the word they used. Of course, we know the challenges that have had over the years and those of us who had members of family who because of their ignorance of the law they failed to proceed and to get, in simple words, title to that land.

Sir, I had a great-aunt that owned most of the land behind Boarded Hall off Watts Village. Today, I cannot tell you who is the owner of the land but when it was finished, she had no title to that land. All that land behind Boarded Hall, Sir, today there is not a member of the family I know that live on that land because if the law states she does not have a title, she does not have a title or she did not have one. She has gone to the great beyond now.

The question that one would have to ask, who are the rightful owners of land in Barbados? This is the question that we have to ask in this country because whilst it is true

in law that unless you hold papers or title for land you cannot say you really own it. That is what the law says but because a lot of our people, not necessarily have to be relatives, in those days, somebody, Sir, had to have gone forward and title that land on the same basis of what we are now amending in the fictitious title suits. This is why I said in here and elsewhere that a lot of people in this country have title to land that is not really theirs, if we go by moral means and not necessarily by legal means.

We had a case here and I heard the lawyers speaking on this matter, where a lady who recently passed about three months ago, by the name of Gwendolyn Beckles, who were with all these papers in the newspapers all the time, that her aunt had passed on these papers to her, receipts and all that. She went to a million and one lawyers in Barbados. Go and see where that family lives in Chapman Lane and all around her, look at the people who own that same land that she was claiming. The Barbados Foundary came up in that as well. Kensington Oval came up in that as well and a number of other spots but she had no title.

What had happened is, I wonder, what we have to ask that happened because we do not know it happened, why no move was made to title any of that land. Secondly why all the lawyers that she said, and it had publicised that she had been to, no one could have assisted her - for land is money, real money in true terms - in getting a title to some of that land, if not all. Go to Chapman Street and see where that lady's family now live.

Senate A42, sequence 19

I remember there were one or two persons of Asian origin who said they got title to their land. Of course, they got title to the land but how did they get it? These are some of the things that have created a lot of emotion and a lot of hurt in this country. It happened in my own family. I did not get up last week when I was challenged but my father left a piece of land for me in Lodge Road, Christ Church, which I sold and the Urban Development Commission went and strip off half of it to build a road but I knew this was coming. I sold it in 2006/2007. I did not worry to claim. Sir, a lot of that has taken place even in agencies of Government. You must not always confuse Government with politicians. They strip off not necessarily half but I would say half because I could not claim for less than that and I told the attorney not to push it. I came with nothing and I will leave with nothing. I sold it and I got my money for it and that was it.

The reason people sometimes do not go to court is because of the delays in the process. I have heard of three to four years if you are lucky and eight to nine years if you are not so lucky as far as getting title for land particularly with these land Solicitors. Mr. President, I am happy to see that this has come to an end. Somebody phoned me last

night and told me that they heard an attorney, I do not know if it is under a streetlight or over a coconut cart or something, saying that no one or very few persons, you could count them on one hand, have ever tried to defraud people out of land. You could tell me that for over 100 years of doing these title suits that all honest and sincere people were in there for 100 years, I would like to know who they are. We will have to ask a question who were the Solicitors then, what they look like? I could speak about my own family but I know that there are other matters that we could draw comparisons with in Barbados where people were robbed of their properties but I like to speak with the fact so I will just talk about my own family and myself because nobody can challenge me on that.

Sir, these are matters that have created great concerns in this country. Whether or not the system, even changing the law, will continue to be one of incumbrance and delays, et cetera, we do not know, because people operate the system, the system does not operate itself. Sir, we could only be happy that these amendments have come. I really question sometimes the sincerity of some of our people in Barbados. As you know, Mr. President, you could sell an old fridge or old stove to somebody and tell them to give you \$200 or \$300 for that and they give you a receipt but with land you cannot do that. You always have to act with an attorney-at-law. If people could do without them, I am sure they would not bother with them, with all due respect to you being a qualified person out of the fraternity, Sir. I meant no personal offence, that is being factual. People have been hurt by these things over the years just because they did not have the money. These are not days to do, as people used to say years ago, leave everything to God, try and leave them to Coleridge Street because the money will come. In my capacity as a Justice of Peace, which I do as an act on behalf of the State, people come to me, because they feel that you know something, with all kinds of problems involving land again and I do have to tell them to look for an attorney-at-law.

Sir, you are in a position to know of the problems that exist in a society. When I hear people get up and speak, whether it is under a streetlight or wherever, defending certain actions that have come about over 100 years, I realise that we have a far way to go. Legally, yes, morally, no way. People are greatly concerned about these problems.

Sir, there are different methods in there that people used as far as the law is concerned. Squatting is another one. I do not understand how people could go and occupy people's land, they have to belong to somebody, and then on one hand you hear that if they spend so many years there, they can file for it. How does that happen? There are challenges in families whereby a lot of people were misled, I know I said that before but I am going to say it again because we are not the only people in here that listen to

what is going on. There are many people who do not know where to go or what to say and they do not pursue it because they feel they do not have the money.

Sir, an interesting part, which I saw in this Bill, is that someone or a guardian could apply on behalf of an infant, and you know what an infant is really, to secure a title for that land. If there is no guardian but there is someone who has that child's interest at heart they can do it. I like that because there are a lot of people, I have to repeat it, who have been deprived in this country out of what should have been theirs. Land would always be an emotional concern to me.

Mr. President, I want to know based on history, the original owners of Friendship Plantation. London Bourne was the original owner of Friendship Plantation. Did anybody buy it from London Bourne? Who are they? I may not be concerned about who own it now because who owns it now might have gotten it from somebody.

Sir, we have had a lot of things in this country that took place along High Street and those places in Solicitors' Office. You notice that Solicitors are always mentioned inside these Acts. Who gave them the authority to dispose of land and title it on the behalf of somebody else? Sir, we are going back 100 years where it began. It cannot be all honesty in that. These are matters that concerned me for a long time being out there as an Insurance Agent. I worked in this country for four years as an Insurance Agent particularly in St. John, which I am very familiar with, being a campaigner and going into peoples' homes for the last 40 to 45 years, and these are matters of which I am very familiar.

Sir, changes will come. This cannot be the last amendment to this Act but it is a start. I wonder why it took so long. You have a lot of people about here posing as real estate agents and all kinds of thing. Let me tell you something, there is so much I know, it is not even funny. There are a lot of old people about here who suffered as a result of certain actions taken by citizens in our country who are supposed to be upright.

Senate A42 Sequence 20

Mr. President, probably that is why some of them do not live so long, because of what they and their families had to go through. Sir, I think that since we cannot do anything about the past, we can certainly correct a lot of things as far as the future is concerned, because we have a responsibility today for those of us who will come after us. Mr. President, this matter has taken too long to come before these Honourable Chambers. It is said that it is better late than never but not in some cases.

Sir, I believe quite honestly and sincerely that as long as people in Barbados believe that within themselves - and those are persons who have inherited from a relative or even a friend whom they might have looked after during those ill days - that is the compensation they should have, they should have it. It is not fair for attorneys-at-law, in any part of the world, to frustrate this process, attorneys need to communicate with their clients.

Mr. President, I feel very concerned about that, that is what I went through the Bill last night. Mr. President, I have learned my lesson, I came here well-prepared for debates, I will not be caught off-guard, neither would I be caught napping. I do not mean only today, I mean whenever I come here to debate because I must produce facts, which I always have. Sir, I have spent too much time around politics and current affairs on matters of this country not to understand clearly what is taking place. I have also been out there in the field not to know what has taken place. Sir, with these amendments to this Bill, I sincerely hope that the Government of which we are here on its behalf, will publicise and relate to the public what are their rights what are their wrongs, so that they can clearly understand that they have a right in this country to anything they deserve to have. Mr. President, there are too many people who have suffered in this country, who did not get what they deserved. I have seen it happened. I have experienced it with my own family.

Sir, in closing, I think the Bill speaks for itself. I will listen as time goes on, not necessarily in this Honourable Chamber because you would have found that even though some persons who are legal officers would not necessarily agree with anything in this Bill.

Asides.

Senator R. A. HUNTE: Sir, I draw my own conclusions. I think it is about time that people in Barbados start to receive or pursue - even though it might take some time to receive it - what should rightfully be theirs in Barbados. Sir, having a piece of the rock is no joke in Barbados, people need it, people have come along preaching that to their children, grandchildren and relatives.

Mr. President, in lending my support to this Bill, I do so with all honesty and sincerity. I sincerely hope that those who might have longed for such an Act, amended though it is, would go forward and pursue what I can say in most cases are rightfully theirs. Mr. President, I thank you.

Senator KERRIE D. SYMMONDS: Mr. President, much has been said about the substance of the legislation before us, both yesterday in the Other Place and today in this Place. Sir, it is beyond doubt that we are dealing with a matter which is ages old. I think the practice has been in

existence for more than 100 years and it is entirely true that some of the wealthy soliciting firms in Barbados have made a fortune out of the practice. I do not go any further than that but it has certainly been above and beyond the clear and light placed on some aspects of the practice of foreclosure suits by Senator Hunte just now. Sir, I must agree with much of that which he has spoken about.

Sir, the flip side of the coin is that it is that precise procedure that has made it possible in a society which has been built upon tenantry land for poor working- class people to establish the right to hold and the right to prove their interest in title to land. Let us not get away from that reality because it is of historical imperative. If it began over 100 years ago, it must continue today and into the future, until we have purged this society, in my judgement, of the difficulty facing small working-class people in rural and urban Barbados. Sir, that difficulty is establishing title and ownership of land.

Sir, I think there are only two of us in this Honourable Chamber - Senator Trotman is not here - who have had the privilege of serving as elected to the Other Place.

Asides.

Senator KERRIE D. SYMMONDS Mr. President, I wish Senator Benn well in that slated endeavour. I reserve any further comment in that endeavour. Sir, through you, I wish Senator Haynesley Benn the very best in that stated endeavour. Sir, that apart, the point I was about to make is that I need not tell you but I think this Honourable Chamber needs to understand, and certainly Honourable Members on both sides who have actively canvassed in constituencies would have seen this, even if not felt the agony of having to try to resolve some of these problems.

Mr. President, the reality is that for most of those persons who we in politics call our constituents, the vast majority in every constituency fall into a category of persons who hold or occupy a piece of land in what is traditionally been known as a tenantry-type area. Some have referred to it as a village, some have referred to it as Hunte's Land or Ince Land or whatever but basically they all meet certain type of profile.

3.45 p.m.

Mr. President, when you look at the lay of the land very often they are not planned developments, in fact, very rarely are they planned developments. Sir, a house spot has been obtained, usually by private treaty years and years ago, somebody wrote a receipt on a piece of paper, as though you bought a bicycle, and gave it to a great, great, grandmother long deceased, after she had saved and struggled to put together the few dollars that the land was

valued at, at the time. Sir, she dies and no one can find where the receipt went, and the land is passed down through the years, so-called, seed to seed. This is my grandmother land and then it is passed to so-and-so, and so-and-so. Sir, that is basically what you are confronted with.

Mr. President, I remember as a young Member of Parliament being overwhelmed in some regards with the amount of persons who come to your office and that is the precise difficulty that confronts them, and there is a desire to do a number of things that flow from this lack of ability to demonstrate clearly and palpably that this is the land which I own. Sir, it is a tragic social difficulty in Barbados and I think to be fair to successive administrations, it has been tackled but it must now be systematically tackled as a national priority to rid this country of the difficulties which face working-class communities across rural and urban Barbados. Mr. President, I can say to you that I represent a constituency which, quite frankly had both a rural profile and an urban profile and I saw it from both ends.

Mr. President, there is a cultural reality in Barbados of people living side by side on such lands separated by a paling in some instances. You may have a piece of land, which can be defined as tenantry land now under the legislation that has been put in place.

Sir, I am going to speak a little bit to the legislation first because one of the beautiful things that we did in Barbados was that piece of legislation called the Tenancies Freehold Purchase Act which allows people who are living under those conditions, to which I have alluded, an opportunity based on the period of time that they have been there to make first claim, as of right, to the land on which they live. Sir, very often, prior to that legislation our socially, worthless and unconscionable landlord would say to you that you are living on the land for 30 years or 40 years but that he wants to give it to his child. Sir, do not mind that you were there, that you have built the house up and that you did a little extension with the permission of the landlord but, basically, you came to know and reside there and understand that it was all you had and you put all your life savings into trying to make that place habitable but you were told that he wants you off the land in six months and to take the house and go.

Mr. President, another cultural reality is that the houses, invariably are chattel houses and, therefore, the concept of taking your house and go almost as if it is a 'georgey bundle' means that you just move the house and go. Sir, though we came to understand and to accept it as reality in Barbados, it has with it a terrible social consequence. Sir, I have seen some big women and big men, who were old enough to be my parents sit down before me with water in their eyes and I will never forget this, Sir. I will not be so improper as to call the gentleman's

name now but, Sir, there is a gentleman in what used to be my constituency...

Asides.

Senator K. D. SYMMONDS: Sir, like Senator Benn, I have ambitions. I do not know that his can be defined as realistic as mine but we hold ambitions together. Sir, that gentleman was about 78 years old and he came to me and told me that he was the youngest surviving of three siblings, living in a house where they had resided for all of his life. Sir, he is 78 years old, has three siblings and the landlord, regrettably, was a member of this Chamber many years ago. Sir, the children of the landlord allowed that gentleman to know that he must take up the house and go that they want it for other purposes. Mr. President, at 78 years old, what do you do and, Sir, he is the youngest of three siblings living there. Sir, what is the solution for folks like them? Mr. President, you have to understand the very painful social and economic reality of that which we are trying to resolve.

Mr. President, I have said before that were some things that flowed from the circumstances and you would know as well as I do, Sir, and Senator Bradshaw is now learning this, that one of the cultural realities is that when you have a little community of about 15 households or 20 households, there is no guarantee that all 15 households or 20 households will keep speaking on good terms to one another. Sir, all 15 households or 20 households do not necessarily remain on good terms. Yes, there is a little paling in between but all of us live on an ill-planned plot of land where the house has been put down where you get the little lot. Sir, some times I need to leave my little lot to get across to the main road which is over by you but I have to pass by Senator Cave's little lot. Sir, obviously, I speak metaphorically because Senator Cave does not know what it is to have a little lot but, Sir, he understands that of which I speak. He is a man of practical affairs and he understands that of which I speak.

Mr. President, the reality is that if there is a little social tension because two of the householders do not get on, but the reality is, Mr. President, that you have situations in which people, who are landlocked cannot access their house or cannot leave their house with any degree of ease. Sir, that is a reality faced in many communities across Barbados even today in 2011.

Mr. President, one of the solutions which have been brought to bear on the problem is the establishment...

Asides.

Senator K. D. SYMMONDS: I heard Senator Hunte but there are two sides to the coin and while I fully empathise with what Senator Hunte says he has

experienced, I know that though sometimes the intervention of Government in the social sphere and, indeed, in the marketplace is imperfectly done, very often it is done with good intent. You have some instances, Sir, where Urban Development Commission or Rural Development Commission have gone in and put down what you call a footpath just meandering in between the houses to give people who otherwise had no way to their homes other than crossing somebody's property a notional right of way because (8:25) you could walk on the footpath and nobody really should come and block the footpath and say you cannot go on it.

Mr. President, in larger areas of communities, where there was room, roads had been put in, so that you had a one-lane road which again, meanders through and between the houses so that you give people that access and egress because, again, the cultural reality has been, Sir, that sometimes the smallest amount of tension has compromise the ability of people not only to get to their homes but you have to walk around the problem. You have to walk around the obstacles meaning that some old folks cannot get out to go to church, somebody has to walk half mile in order to get to the main road where before they could walk, perhaps, 100 metres. Sir, these are things which have developed over the course of time as a result precisely of the difficulty which we are trying to resolve via this piece of legislation because the clarity of who owns title and the ability of a society to relate to that title and the rights that flow from ownership of title is vitally important.

Mr. President, the other issue, which I am sure you would have encountered is that of the socially disturbing situation where emergencies break out. I have heard of situations in St. Michael, in particular, in St. Michael in particular, because it is particularly problematic in urban Barbados where the houses are more even densely packed into one designated area of space.

Sequence 22

Sir, when you have a fire a fire engine cannot access. When somebody has taken sick at 11 O'clock at night, an ambulance cannot access. These are some of the realities which we who are jacketed and tied and sit here and speak to macro policy do not necessarily always confront on a day to day basis, but there are eye opening realities of the difficulty faced by the average man and woman in communities across Barbados, both urban and rural. Sir, it is to that I think that this legislation has to speak.

Mr. President, again, we can go on about the malfeasance of some members of the public who have tried to trick other people into getting their land and the stories abound. Members of the clergy have been accused of doing it. Members of the legal profession are always accused of doing it. Doctors have been accused of doing. Sir, quite

frankly, neighbours of people who know the situation often are accused of doing it too. The reality is, when the State intervenes with a piece of legislation such as this, you are trying to bring a process which is transparent and you are trying to get past that fictitious suit.

Mr. President, I think Senator McClean made a very good point when she talked about the idea of writing the cheque and passing the cheque to the Registrar and you getting it back, because it never comes back. Sir, I do not do them. I am telling you that up front. They have the wherewithal to do it. I cannot write any cheque for anybody so. Sir, I know the big soliciting firms have done it, and the reality is...

Asides.

Mr. K. D. SYMMONDS: Sir, not because you do not want to help. You find ways to help in other ways, but you have to be also very practical, because in the best interest a number of attorneys, I can think of, have gone out on a limb to try to assist a client in a difficult situation, and then when you want to assist the client and it does not work out the way you would like it to work out, or the client work, sometimes it may not be that client, but it is another client who is going to lambast you. So you do not win. More and more people are starting to say, "You see this here, if it is taking so long to settle, let me stay out of that."

Sir, quite frankly, under the same Tenantry Freehold Purchase Act, these are some of the realities that we have to talk through as a country. There were attorneys who started to shy away from doing the conveyance and the transaction under that piece of legislation, because of the fact that it becomes so caught up in things you do not go to law school and study, but you are coming back here and you are playing a role in a society and lawyers do it and I think doctors do it to some extent, you feel a social obligation to give something back. When you go out you have somebody who is part of a tenantry and the house might be \$20 000 or \$30 000, if so much, because there are some structures which are so old and rundown, dilapidated, you do not have that value. What are you charging? You are really doing this thing out of a sense of well-being.

Sir, the person who comes to you upfront and tell you, "Mr. Symmonds, I do not have the money, but I would like you to help me", especially if you have found yourself involved in this wonderful business call politics, you feel your compulsion. Sir, I am sure you can relate to that. You feel like more compulsion to assist.

Sir, there are many attorneys who find themselves caught up in the Tenancies Freehold Purchase Act's requirements where you have to establish, in fact, that this person has been a tenant. They do not have any real paper work to prove it. Nobody kept any rent book good. The

grandmother who used to keep the rent book died years ago, the house had a fire or something else, or the rent book got lost. The landlord has their face pushed up because they vex that they cannot sell off the land for the amount of money so they are not cooperating, and you are all around in circles and many people, that there is so much caught up here that is a productive time, it would be easier to do like Senator Bradshaw and make money by way of advising a high-price entertainer in Barbados, write a quick cheque, and so on and so forth.

Sir, that is the reality. I do not grudge her skill in entertaining, in that approach to the practice, because she has been quite successful. She now returned from Trinidad making, I do not want to talk about her business because the revenue might be listening.

Asides.

Mr. K. D. SYMMONDS: Sir, the fact of the matter is, there are a number of social issues which are caught up in this process. I think it has to be a part of what I said before, an ongoing developmental thing in Barbados. We obviously cannot take all of the country's resources in order to correct this problem overnight, but there has to be a sustained and systematic assault on the problem and every village in Barbados, rural and urban, which continues to have tenancies must be worked on in order to unlock those land locked people in order to bring some measure of relief.

Sir, I have heard it said repeatedly. There are so many aspects that you can look at this from, not the least of which, of course, has been as most easily has seen. The fact that you have little children, and I suspect that there are some Members of this Chamber who would have experienced that in their youth, when you are going to school but you carry an extra pair of shoes in a plastic bag, or you have old ladies going to church on a Sunday. I know, Sir, you would have experienced that. That is a reality, and that has happened across the island, but above and beyond that which automatically meets the eye, people having to make those adjustments, walking with two pairs of shoes and so on,

Sir, there has been another type of problem which is to say that you do not have quiet enjoyment of the property which you own. You do not have access. These are things that you take for granted in some parts of Barbados, for example in the heights and terraces and so on, automatically as you have the conveyance, it comes with all of the rights, but for many people living in this country today, they do not enjoy all of those appurtenant rights that should flow from owning title, or should flow, and you cannot establish it until when you have a system that makes this foreclosure exercise a lot faster and relevant to the people that it could move.

Sir, I listened to the debate yesterday and I said I do not want to go back over that which a number of lawyers have already said, but there are one or two things that I thought you have to empathise or reemphasise that a process designed to assist the vulnerable and the powerless in this society should move from in the early days taking a period of two months, perhaps minimum, to six months as a maximum, and become a process which on average took three years, is deeply unfortunate. It is deeply unfortunate and it is even more unfortunate when you hear of the stories where the process takes eight years,

Mr. President, quite frankly, who on earth with little money and little resources is prepared to get caught up in a suit in court, which is difficult to understand anyhow, because this notion of having a fictitious suit where you bring a case against yourself in order to get a piece of land, most people when they are talking to you about, they ask you, "what does that mean?" The average litigant does not understand it, but then to say you have to wait eight years for it to come to pass is ridiculous and it is really bringing into the light of day and the full glare of public scrutiny the difficulties under which some aspects of this legal system in Barbados operate.

Sir, I know there are a number of other things on the order paper and I do not want to delay the House unduly, but I thought that I would speak, especially after Senator Hunte's contribution because he made a number of thought-provoking comments and somewhere we have to strike a balance, because it is not all bad, but most certainly it is not all good either. I think that we have to find a way to go forward and get the benefits of where the two sides of this debate meet.

Mr. President, I should say this as well while I am on my feet, because it is related. The totality of the overall of the system, this is but a step in correcting that architecture. The totality of the overall of the system is something we have to look at as well.

Sequence 23

One of the things that bothered me and I said it in the other place, I feel I can say it here now, is the fact that the people who go and say they want a little assistance in getting a house spot are the people who are the most vulnerable in this society. Let us not fool ourselves about that. Very often we get in here, I am guilty of it too, there is a lot of cross talk and debate of a political nature on the question of housing.

Sir, irrespective of political party, from day one right through until now, Mr. President, we have been in a situation where we have done an imperfect thing in an imperfect way. We are talking about putting down lists and names of people and NHC will dispense to this person who

makes an application for a house spot. It is not transparent, some people have waited 20 years, some people have waited 30 years to get a house spot.

Mr. President, I have been confronted with persons in that situation so I know whereof I speak. I say to you then, it transcends Party politics. It is a system that has failed and is failing because anytime you have somebody sitting down hoping that Government can intervene for 25 years, Sir, then that person has been failed by the system which they obviously believe in and as a people, we have to be able to correct that. Now that is an area, Sir, where I feel that this country must now look towards having a very informed and reasonable debate as to how we can correct some of these problems but as I said, they are all connected and today is obviously not going to be the day to have that debate but I just wanted to share those few thoughts with you.

I am obliged to you, Mr. President.

Asides.

Mr. PRESIDENT: Senator McClean.

Senator M.P.O. McCLEAN: Mr. President, as I briefly comment in my wrap up on this Bill, I just want, Sir, to reiterate that the Legislation debated here today will serve to simplify the process and the procedures by which title to land will be established and granted by our legislature. As such, it is done through the establishment of a clear legislative framework. This to my mind, Sir, is an urgent piece of Legislation given the fact that the traditional foreclosure suit procedure that has obtained for many years would have gone into abeyance with the introduction of the new rules for the Supreme Court where it was felt that these rules did not provide a basis for the acceptance of foreclosure suits.

Sir, numbers of persons seeking to do transactions would have been frustrated and we therefore sought to bring into law, a remedy for addressing this. I believe, Sir, that with the passage of this Legislation we will see the beginning of a new era, one in which there will be greater ease of establishing title and ownership. Therefore the spin off of that would be a swifter transaction of business where landownership is a factor.

With those words, Sir, I beg to move that this Bill be read a second time.

The question was put to the Senate and agreed to.

On the motion of Senator M.P.O. McCLEAN, the Senate resolved itself into Committee on the Bill, Her Honour Senator Miss Kerryann F. IFILL in the Chair.

COMMITTEE

Madam CHAIRMAN: The Senate is in Committee.

Part I, Clauses 1 and 2, were called and passed.

Part II, Clauses 3 to 20, were called and passed.

Part III, Clause 21, was called and passed.

Part IV, Clauses 22 to 33, were called and passed.

The First Schedule became the Schedule to the Bill.

The Second Schedule became the Schedule to the Bill.

The Third Schedule became the Schedule to the Bill.

On the motion of Senator M.P.O. McCLEAN, Madam CHAIRMAN reported to His Honour the PRESIDENT, the passing of one Bill in Committee and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motions of Senator M.P.O. McCLEAN, the Bill was read a third time and passed and cited as The Land (Title Proceedings) Act, 2011.

ORDER NO. 4 – THE CLEARWATER BAY LIMITED (GUARANTEE OF LOAN) BILL, 2011

Mr. PRESIDENT: Senator McClean.

Senate A42, sequence 24, 4.14 p.m.

Wednesday, March 09, 2011

Senator the Hon. Miss M. P. O. McCLEAN: Mr. President, we all know the importance of tourism to Barbados as a generator of foreign exchange and as a vehicle for employing Barbadians. On an annual basis, we receive in total approximately one million tourists almost equally divided between land-based arrivals and cruise passengers. Over the years, we have built up a reputation as the ideal holiday venue or location and we are proud of that reputation and we work hard as a people to ensure that reputation is maintained.

One of the features of our tourism is that while we have a diverse mix of accommodation types and thus we cater to a diverse mix equally of visitors from various economic strata, Barbados is also known for its high-end visitors, whether they be visitors arriving on some of the luxury liners, because we also have in that sector a mix of shipping companies or cruise lines catering not only to the traveller who is looking for a package from the mass market kind of segment right up to the very exclusive

vessels... The same thing obtains at the level of onshore or land-based accommodations.

We have in Barbados what, as far as I know, is labelled as the only five diamond property in Barbados. We used to hear of five star but we also have a class above that or categories about that including five diamond. The project for which we are seeking to guarantee funds is one which is intended, as it is ongoing, to incorporate the construction of a high-end hotel. The Four Seasons chain is recognised globally, particularly in North America, as a hotel that is high-end.

In addition to that, the project at Freshwater Bay or Paradise is also enhanced by the construction of a number of very high-priced villas. Certainly, when that project started, we all look forward with eager anticipation to its completion. Some of us who would have grown up in the area were also looking on with some trepidation when we saw the transformation of the landscape. As a 'Black Rockian' myself, I recall the first day that I drove down on Highway I just across from my ancestral home, the place in which I was literally born and grew up for several years, and as I look toward the North West, I think you would call it from where the road curves, I just saw a clear vista ahead of me. All the trees had disappeared and the landscape had been transformed and so I was always concerned that this needed to be completed. Mr. President, at the time while that was going through my mind we were not facing the current economic crisis. There might have been some troubling signs on the horizon but we are talking about two years before the current crisis that we are seeing play out now had its beginnings. As a consequence of that, this private sector project was faced, like many other projects around the globe, with major challenges of continued financing. In fact, we saw the stoppage of the project at the time when several hundreds of persons were employed, many of them Barbadians, many of them from other countries in the region and certainly a large number of them from outside of the region. As that situation developed, it became clear that some initiative was needed to get this project going again. It was a project of sufficient magnitude and impact that it could not be left to the vagaries of what was unfolding around us. Until now we are not sure where that would end.

The implications of the successful completion of this project, perhaps I could touch on those first, would be of course the establishment of a well-respected brand and the purchase of a number of very high-end villas, prices ranging from perhaps US\$20 million and US\$30 million. Those are the kinds of numbers we heard spoken of by the persons responsible for this project. The anticipation was that you would have developed a property which in its heyday boasted, as a child growing up on Black Rock Main Road, of one of our well-respected hotels at the time, Paradise Beach Hotel, and we knew the several owners of

that property, would have been sold and the property laid vacant and essentially at some point acquired but we waited for many years to see what would have become of that property.

We finally saw this project unfolded and started. As I said, the completion of that would have resulted in a new hotel chain in a situation where we have asked over the years for a brand name hotel or a series of brand name hotels. Of course, we have had some indigenous brands which have established themselves and their reputations internationally but because as we are, as I, said in recent years, emphasising the very up-market end of the visitors spectrum so to speak, this would have been an excellent addition as well as the opportunity to create jobs in the other aspects of the project, the villas, where property managers and so on would have been employed, and the whole range of job possibilities.

With the cessation of the project because of the economic situation and the challenges facing the investors, the Government had to make a decision as to what would happen. Mr. President, I want to emphasise that the Government's decision to get involved came after several attempts, I think at least three that I know of for sure, of private investors to get the project restarted. Now when the project came to a halt, the investors owed several parties, including a number of small and medium entrepreneurs from Barbados, and therefore as with any business situation, a prospective investor would want to see that debt is addressed before he or she or a particular company invest further.

Moreover, beyond the third party investor as I would describe them, the actual potential villa owners and those who would have actually started some payments were also very concerned that they needed to have some sense of the settlement or some arrangements made. They wanted to be assured that there was some settlement of those existing debts because they did not want to find themselves in a situation of making some of the payments that would have become due for their respective properties to find the project still stalled. It was therefore decided by our late Prime Minister and Minister of Finance, the Honourable David Thompson, to undertake in the interest of Barbados and Barbadians and the continuation of that project to guarantee funds to address the debts that were outstanding.

Senate A42 Sequence 25

Mr. President, I want to emphasise guarantee because in talking to citizens, you recognise that a lot of the things we take for granted, people sometimes do not understand. There are situations as well where I often hear people, who should know better, making statements which would serve to further confuse the average Barbadians. Therefore, by indicating there is a guarantee, you are

simply arranging to provide a level of comfort and reassurance to the providers of the funds that should specify conditions not obtained the Government will step in. Sir, as I have heard people saying in other places, which has also been carried in the media in several forms, Government is not, at this time, taking up taking up taxpayers' money and handing it over, Government is simply putting in place an arrangement to ensure that the financial institutions who have agreed to provide the funds to the principals, who are getting this project back on stream, are comfortable that they have the support and backing of this administration.

Mr. President, in order to do that, the Government had to create special purpose vehicle because as you would be well-aware, we would have debated a number of guarantees in the past but these guarantees typically go to Government entities, which are part and parcel of the array of institutions which constitute the public sector. For example, a statutory corporation would be one such entity. Therefore, this is a somewhat unique situation where a special instrument or vehicle would have to be undertaken or established to ensure that this arrangement is put in place. That special purpose vehicle has been established, it is called Claywater Bay Limited and it is a company incorporated under the Companies Act. This is wholly-own and controlled by the Government of Barbados. It is done to facilitate the recommencement of this Four Seasons Development Project.

Mr. President, I believe that as we look at this arrangement, we can be assured that Government has done what in its estimation and certainly in the estimation of the local business class, local investment community, the regional investment community and the international investment community what are the right things. What has happened is that we have a situation where Barbados can say to the world, by the actions of Government, that we are willing to support those persons who take significant risk. A project of this magnitude will require substantial investment in several areas. Therefore, the decision to do that is important.

Mr. President, it is also one in which the contribution of Government in this form also serves to reassure other investors about what is happening in terms of that particular project. Sir, as you would imagine, a project of this magnitude that has stalled, creates a major blot on our economic landscape, not only figuratively but literally. Sir, anybody driving along the Spring Garden Highway and seeing that unfinished project...

Mr. President, at one stage, I was very concerned that the hordings were looking pretty delapidated and so it sent a very negative message about Barbados. Therefore, the ability to restart that project not only immediately addresses immediately that particular initiative, it also brings

a level of comfort and confidence. Sir, from all that I have seen and heard, a situation had begun to unfold in Barbados in which a number of projects were stalled. I guess some were stalled, stopped or put on hold for some of the same reasons such as financial and otherwise. Sir, by seeing that initiative restarted people figured we were not going to have this unfinished project for all the world to see, we will in fact have this particular property restarted.

Mr. President, one of the further implications for this, as I think of the end of the project when it comes to full fruition, we will see a somewhat modified project. I understand there is some scaling down of the size of the hotel, for instance, but it comes at a time if we look at the industry holistically, we see the value of a Four Seasons Project. Barbados has recently moved into the southern part of the USA and we know that if we look at the USA population, Texas has a substantial percentage and a greater per capita percentage of well-to-do population. Therefore, for a country in which Four Seasons resonates, you can anticipate that is a major selling point in that kind of market. We are also looking at attracting high-end visitors from outside our traditional markets.

Mr. President, I have noticed, in recent years, that there have been a number of visitors, especially during the height of the winter season. I understand in the latter part of the tourist season that we have been attracting very well-to-do individuals out of the Far East and several Arab states. That speaks to the attractiveness of Barbados, because you are talking about a potential clientele who is looking for exclusivity, who is looking for the best in terms of standard of accommodation, the best in terms of restaurants and so on. Therefore, what we are envisaging is the enhancing of that high-end hotel set of brands which will do well to serve Barbados.

Mr. President, my understanding from listening to discussions of the proposal is that the villa owners were also very insistent that their decision to purchase and their continued interest was also centred around the presence of a hotel of that type. If you observe how some very wealthy people travel, they often travel with friends and large parties. Some people travel with colleagues. Therefore, a villa owner may invite a number of persons to celebrate a birthday, while he or she is in residence in Barbados and would therefore be quite happy to have or may insist that they can accommodate those persons in close proximity. Therefore, for them the hotel was a critical aspect of that entire development. Therefore, the hotel serves as an anchor in that particular development.

4.35 p.m.

Sir, it is interesting when we talk about boasting of your friends, when you read magazines, when you view holiday channels and so on, the esteem with which

Barbados is held by people across the globe. It is seen as a country in which you can do business because the quality of life here, the experience of holidaying in Barbados is one that is second to none for some people.

Mr. President, if I may digress a little bit to illustrate the point I am making. I happened to attend an activity which has become a hit with frequent visitors to Barbados and this was, I think, the second I have attended where persons who have visited Barbados up to 30 or more times are invited to the official residence of the Prime Minister and they get to interface with a cross-section of Barbadians as well as with a cross-section of visitors who fall into that category of frequent visitor and I was hearkened at the comments that people made about why they keep coming back to Barbados and, more importantly, I was hearkened to hear their thoughts on what we, as Barbadians are doing to ensure that they continue to love this place. Sir, the love for Barbados has to do with what we are able to offer.

Mr. President, I have talked about the rationale for this Guarantee but I also want to spend some time reassuring Barbadians. I have made a case for why it was important but I also want to reassure Barbadians that as we look at this, they can feel comfortable that the loan which is guaranteed by the Government of Barbados, that money will not find itself stuck somewhere just paying bills. Sir, the point I am making is that as we examine the need to do this, we also examined what is expected to happen and what will happen simultaneously. Sir, at the end of the day, the investors who are going to bring this project to full fruition will be receiving funds, and have started to received funds, from reports given to me.

Mr. President, in relation to the villas, this set of funding would allow the restart of those villas and it is my understanding that eight of the villas have been restarted. Sir, if you look at the value of those villas, it helps you to put the Guarantee in perspective. Sir, persons have agreed to buy some already and you have future villa sales and, of course, once that project is up and running I am sure the new investors will, in fact, be quite willing to invest in the project.

Mr. President, I mentioned the benefits to Barbadians and I need to reiterate that the economy benefits, as I have said, because of a sense of continued businesses activity in major projects. There will be generation of foreign exchange because where payments are made, it comes into Barbados in hard currency and that is important because we need that hard currency in turn to pay for imports et cetera and, of course, there will be financial returns to the entities that are part of this.

Mr. President, I am happy to say that one of the features of the continuation of this project will, perhaps, be something which we did not see to the same extent. What is

going to be evident in this is that you will have, at the end of the day, an increase number of Barbadian business persons providing services to the operation and that can only augur well for the business sector in Barbados. Sir, in talking about that, I trust that we will see in some of these villas phenomena which I see unfolding in a very positive way in Barbados and I believe that I need to spend a couple of minutes to explain.

Mr. President, for many years, we have heard the manufacturing sector, and in relation to this sector, the manufacturers of furniture talked about the difficulties that they have had in accessing this segment of the market, hotels, villas et cetera. I am very happy to say that under an initiative, the Council for Investment, Exports, Foreign Exchange in the Diaspora, of this administration towards the end of last year, we have sought to facilitate the efforts of a cross-section of commercial activities of economic sectors. I speak, Sir, in particular about the furniture manufacturing sector and related industries, those providing soft furnishing et cetera. Sir, as I have said, towards the end of last year, we had an expo where manufacturers, at the end of the day said...

Asides.

Senator the HON. Miss M.P.O. McCLEAN: Sir, they were about 15 furniture manufacturers and all together about 77 providers of service who participated, whether they were producing soft furnishings and so on. Sir, I talk about that in the context of this because the key rationale for that particular exercise was one in which the argument was ...

Asides.

Senator the HON. Miss M.P.O. McCLEAN: Sir, I do not hesitate to say that I made the argument. Sir, I argued with stakeholders in the industry that rather than sit down and say that we cannot get a foot in the door, that you need to go and showcase to your target market what it is that you are doing because it is okay to say that I cannot get into a hotel to provide furniture and that I cannot get into a hotel to provide soft furnishing but my question was then: Do they know what you have to offer? Sir, when I say what you have to offer, I was not speaking in the singular, I was speaking in the collective.

Mr. President, I am happy to report that coming out of that whole exercise which, in the first instance, cumulated in this Expo in late November or early December last year, several of these companies are now doing business with hotels. I know of a couple of companies who are actually talking to persons who manage villas about providing indigenous furniture. I am also happy to say that it is not a limited line of furniture. It is a line of furniture which ranges from traditional antique-type

designs to contemporary designs and also designs which are incorporating indigenous materials. Sir, I am not talking about mahogany now but beyond that where, initially, for example, one hotel chain was asking a manufacture to do work but provide a raw material that would have been imported from China or Indonesia. Sir, I would have spoken to this several times and so I might have mentioned here before.

Mr. President, the point I am making is that having got that initial entree to the hotel and villa sector, I am hoping that a project of this magnitude could also be an opportunity for those manufactures and other manufactures in Barbados to display and supply products and services which would enhance the ambience and the general decor of these accommodations, whether it is a hotel or the villas. In doing so, what it would serve to do is to further enhance the financial returns to a cross section of individuals who basically are able to offer to this sector a range of products and services.

Sequence 27

We talk about entrepreneurship and I see that there is a clear link between these kinds of initiatives and the fostering of an entreprenuer class in Barbados. So the benefits to this are, we have Government engaging in a guarantee, executing this guarantee in a way that has got this very vital project started. I spoke of the dilapidated boarding. I travel that road every day as I come to work. I am happy to say that they have fixed that boarding. They have repainted and I am seeing activity on the ground of the project. Therefore, I think that as we engage in supporting this sector, we are going to see the turn around of that project.

Sir, I want to hasten however to issue a word of caution to persons in the private sector who are looking on. While this is groundbreaking in terms and, no pun intended, Sir, in that Government is guaranteeing a project that is not one that would traditionally be guaranteed. In other words, as I said before, guarantees normally given by Government would be to entities that are Government related, statutory corporations, companies majority owned or owned by Government, et cetera. This is one that was guaranteed because of the major economic impact that it could have either positively on the completion, or negatively with the failure to complete. Therefore, to companies looking on, you do not run to Government and say, Minister of Finance, Minister of Tourism, Minister of Industry and whoever, we want you to guarantee this \$10 million project for us. It is not that. It is a decision that has been taken, given the nature of what we are doing and therefore it is important that it be done in a way that allows Government to keep critical work going in this country.

Sir, by the end of the project we anticipate that we will have a number of persons employed. The figures that would have been attributed to the project when it was in full swing in the past was about 800 persons. Therefore, we would trust that the same numbers will be seen in the next year or so, as the project is fully mobilised and work is going on.

Mr. President, the project is one that has allowed the investors to get the project back on track. I just want to reiterate again that Government is doing this after three previous attempts to do so. It is in the process of allowing critical work to begin, and therefore I anticipate that we as a country and the people in the sector both in the stages of constructions and so on, at the end of day when the operation is up and running and both hotels and villas are occupied, we would see the benefits of the Government's decision.

Sir, what I am hoping, and this is something that relates to an earlier debate, as we establish this operation, the Four Seasons, we will in fact see Barbadians employed across all levels of staff in that operation. We would also see, I trust, persons involved in all levels of staff in the villa elements of this project.

I believe that at the end of day, we will all sit back and recognise that as we would have heard calls immediately on assuming office in 2008, that we get this project back on stream. We have done so at a time in which Government will be called upon to do a lot of things, but one in which we have identified areas that are of critical importance which requires Government's support. Therefore, I believe that this Bill is one which will serve to ensure the completion of this project. It is one that will redound to the benefit of all Barbadians, and I therefore ask that it be read a second time.

Mr. PRESIDENT: Senator Symmonds.

Mr. K. D. SYMMONDS: Mr. President, as I listened to the Leader of Government Business I was reminded of this morning's free advertisement that Barbados got on CNN, when they made reference to a flight from Barbados bound for New York, diverted to Baltimore and then to Boston.

Asides.

Mr. K. D. SYMMONDS: The Minister said she was supposed to be on it. Sir, it was a flight they described to nowhere and I thought to myself that Senator McClean was having a difficulty in getting where she wanted to go, and seemed to be already on that flight. Little did I know she was supposed to be on it in actual fact.

Sir, there is no difficulty with the concept, and I want to say that. I will take no issue whatsoever with the concept. In fact, the concept is entirely consistent with that which the Barbados Labour Party, while in office, sought to promote in this country. It involves a mixed use approach to the development. On one hand we are talking about a hotel and then on the other hand we have thirty-five luxury villas, which are going to be styled as residential structures.

Now, the villa development aspect of the thing is something that the Barbados Labour Party understood and promulgated years ago as being an important ingredient in the tourism development of the country. We felt that, indeed as Senator Cave so rightly put it earlier this morning, it is necessary to attract to Barbados high net worth individuals. If you have a market that caters to luxury villas, then you are creating a concept in the tourism product of the land which is really residential tourism. You say to the high net worth individual, and may I say the same gentleman, Deryck Smith would be among those. Senator Cave alluded to him before. You are saying to him, "Come here, make an investment here." Once that investment has been made, it is really a summertime home. For all intents and purposes many people who are in that market, buy a villa or invest in a villa and spend four to six months on the island.

Asides.

Mr. K. D. SYMMONDS: I would wish that you could buy one too, Sir, and I hope that you can.

Sir, many of them, when they are not here, would have their family, friends, and so on come use it. There are several British expatriates, so-called, Cliff Richards. Sir, there are many who come and do that type of thing here. We understood that once you attract the high network individuals to Barbados, that the natural corollary was that it was almost inevitable, as Senator Gilkes would tell, that they would then start to get involved in some of the commerce of the island.

Sir, as I have said in this Place before, these are the people who then constitute the nameless, and in some instances faceless people behind critical entrepreneurial activity in Barbados. These are the people in the sporting community, the Gold Cup, and these are the people who own the race horse, the Lord Michael Taylors of this world. Mr. President, these are the people who are into the Polo, and on and on you go. Sir, there is a spinoff effect and again, it touches our international business sector in a very major way so when we were trying to promote villas, Sir, and we were being knocked down by a Democratic Labour Party which was characteristically shortsighted at the time, one had to be patient.

Sequence 28

Asides.

Senator K.D. SYMMONDS: I say, Sir, for the benefit of those who would now recall from their own words that I once read in a certain place and I would tell you, Sir, that the Democratic Labour Party put out a little publication that said and I quote:

"In recent years, the activities of local and expatriate speculators have pushed the price of land beyond the reach of persons who are seeking to build or purchase their first home. The heart strings are being pulled, Sir, and certain developers have a knack for acquiring land in Barbados and getting plantation land in Barbados and getting planning permission to build houses and large condominiums all over Barbados. These hills and fields are being sold to highest bidders. Our homeland is being transformed beyond recognition."

Sir, that is page 8 of the Democratic Labour Party's Manifesto in the last election campaign so let them not disavow that to which they committed themselves by way of a philosophical perspective. Suddenly, like manna from heaven, there is an understanding of the vast importance of diversifying the market and offering some new approaches to the traditional tourism product. With respect to the question, Sir, of brand-name hotels, again one does not need to be persuaded. Senator McClean has valiantly struggled to make a case and she is preaching, as far as I am concerned, to the converted.

Sir, I will be very candid. Some of the major brands globally, have a marketing budget that is the size of Barbados' national budget or bigger and they bring that which we will never be able to get. Long ago we made the point that the brand-name hotels because of their might in terms of marketing potential, bring partnerships with major enterprises. You become a preferred guest of a particular hotel because you have spent x amount of nights on the properties therefore you are able to get reduced air travel, you are able to get upgrades on your air travel, you are able to get cheaper access to car rentals, you are able to get discounted at certain speciality level stores and we have some, I am happy to say in St. James, in a new project that has been opened down there where some so-called clothing stores and other retail outlets are going to be opened.

Asides.

Senator K.D. SYMMONDS: The point is, Mr. President, that we are on board with the Government there but what we are discussing here is something larger than that and I will say, as well, that there is no quarrel with the ideal of using the tourism industry to partner with the local craft industry. In fact, you do not have to go too far from

this place to find the Hilton Hotel. It is a fact. It is a truism that the vast majority of furnishings at the Barbados Hilton were acquired, Sir, from in the local marketplace. So that we understood this, and this is something that was not new so there is no quarrel there either for the benefit of the Leader of Government Business. Sir, where we have to take some issue, has been the substance of that which is before this House.

I feel, Mr. President, that the Government has to answer some questions because we are looking at a proposal for a guarantee of US\$60 million which has already been borrowed, already been to some substantial extent paid out to creditors, part of a programme of a project which is valued at US\$350 million.

Mr. President, I hope and pray that Senator Boyce will join this debate at some point because there are many questions that need to be answered and clearly the Leader of Government Business has opted either not to address or perhaps has not been satisfactorily briefed. I know that in the early days of this administration it fell under Senator Boyce, or very proximate to his portfolio so I address him through you, Sir.

Mr. President, part of the concerns that one must have, is that there is no indication of where the next \$290 million is to come from. I am very serious when I say, Sir, that I listened patiently to the Leader of Government Business who spoke about us and said that we are demonstrating a willingness to support our investors. She went on and talked again about investors who are bringing the project to fruition will be receiving the rest of the money.

Asides.

Senator K.D. SYMMONDS: We will come to the stage of payments. Do not rush the brush and there is a sense of anticipatory agitation on the part of the Government side. There is a lot of back intercom so there should not rush to trip over their heels to get to the back of the pavilion. Everybody will have a chance to come to the front and hopefully get to the wicket.

The reality is this. When we talk about these investors, who are the investors? There is not an amorphous concept. Somebody has to be making the investment into the project or so one would hope but in the absence of investors, in the absence of saying this is where we expect the next US\$290 million to come from, when we are being asked to guarantee US\$60 million. Now I want to say this, Sir, and I am very candid with the Chamber.

Senator McClean treats us as if we were always childlike in her lecture of what is a guarantee. She alleges and so we must believe that she has come across people

who misinterpreted what is the guarantee concept and what may have happened, Sir, it is not to my knowledge that it is a common problem in Barbados that there is a default of understanding about what a guarantee from the Government is. I do not think, Sir, that the guarantee could be interpreted as meaning that the Government is picking up the taxpayers' money and putting it in anybody's hand.

Mr. President, what I do think people understand is if there is a default and you cannot pay, if the basket so-called, loses its bottom and the eggs drop out then the taxpayers are going to be called on to foot the bill and that is where we have to pause and ask again for this Government because the Barbados Labour Party is fully committed to the project. It began under the Barbados Labour Party. It was part of the vision of the Barbados Labour Party but I think that what the Government has now to do is to be candid with the country and take the country through the process of what is the Government's thinking on this matter.

Mr. President, I am being disturbed by the Soto Voce comment coming from Senator Husbands. I would want to remind him through you, Sir, that he has a right to speak in this place and in this debate.

Mr. PRESIDENT: I have to remind you that Senator Husbands has not yet spoken in this debate.

Senator K.D. SYMMONDS: Sir, that is the point but I am saying to you, Sir, that I am being disturbed by the Soto Voce comment which you have not heard.

Mr. PRESIDENT: We cannot possibly be disturbed because that means you are criticising the Chair. I know you do not intend to do that.

Senator K.D. SYMMONDS: Sir, I was intending to alert the Chair.

Mr. PRESIDENT: I see.

Senator K.D. SYMMONDS: Sir, having alerted the Chair, I can go no further and that is now entirely in your hands.

Mr. PRESIDENT: I will do no more than to allow you to understand that Senator Husbands has not yet spoken but I will keep order while you speak.

You may proceed.

Senator K.D. SYMMONDS: Thank you, Sir.

Mr. President, once we have accepted that the guarantee is for the public purpose of repaying creditors, then that is the first condition which had to be met, but there

is a larger condition, Sir, and a larger consideration that is, what are the other concerns that have to be met in order to satisfy us that this project will likely be a success.

Senate A42, sequence 29, 5.05 p.m.

Again, as I listen to the presentation by the Leader of Government Business, and this is why I call on Senator Boyce, I have not heard anything, above and beyond the \$60 million which Government is guaranteeing, let us be very blunt about it, that says to me that these are the reasons why, colleagues in the Chamber, the Government feels that this project is going to be successful.

What I know, Sir, is that there has been a rush to come to this place today after leaving the Other Place last night, and some would argue this morning because I gather that the Other Place ended around midnight or slightly after. We have dispensed with Notice under Section 22 (1) of our Standing Orders, so there is obviously a sense of urgency on the part of Government. Again, I say to this Chamber that if there is an urgency to the point where you come the day after it left the Other Place and now you dispensed with Notice, then tell us what is the urgency because to the best of my understanding I saw in the newspaper some time around December or earlier last year smiling creditors lining up getting their money, so money has been paid out, the \$60 million that we are guaranteeing today. I listened with anticipation to hear what is it about the 9th day of March 2011 that makes it so urgent that this matter comes on the Order Paper today and must be dealt with in all of its stages today. I have not heard that, so that is the second problem that I have. We do not know who the investors are. In fact, perhaps there are three problems already enumerated. We have not heard any detail as to what the Government sees as the way forward, why this would be a success as opposed to a failure. Sir, we also do not know why it is being treated with this strange sense of urgency.

Mr. President, what we do know is that in the year 2009, the Ministry of Finance extended a Letter of Comfort to ANSA Merchant Bank Limited, the same ANSA Merchant Bank Limited that is referred to in this Bill. The fact of the extension of the Letter of Comfort is within the kin and knowledge of the Government. What were the terms? Why was there a Letter of Comfort? What has come of the Letter of Comfort? Has it run its course and it is now being replaced with a guarantee? Is it as simple as that? Is it that it comes to an end within a few days?

Mr. President, to treat this Chamber as though we are here incapable of independent and rational thought on a matter of substantial public finance in which a guarantee is being made of BDS\$120 million, if you go to the two to one exchange rate... I take the opportunity to alert you, Sir, because I know that you are a man of practical affairs, that

there are places in Barbados now which are calling for a little bit more than two to one but that is another matter, that is not for here, we could discuss that downstairs. It is a question of confidence Senator Boyce.

The reality, Mr. President, is that we need to hear from the Government a very clear position as to what is the situation with respect to that Letter of Comfort. While I am on the point I would therefore want to hear from Senator Boyce, because Senator Boyce would have had, I am sure, that Letter of Comfort copied to him when he was the Minister of State in the Ministry of Finance, whether the technical officials in finance had advised on the Letter of Comfort and if the technical officials had been consulted. I would also want to hear from Senator Boyce, in the course of this debate, what was the position taken by the technical officials. There is a reason for asking those things, it is not just to humbug Senator Boyce.

Sir, where then does the \$290 million come from? Sir, the Bill speaks to the question of recommencement. Senator Husbands is watching me and for his benefit, I will make the point that under Objects and Reasons, it is stated that:

“The Bill would provide for the Government of Barbados to guarantee, in respect of Clearwater Bay Limited, a company wholly owned and controlled by the Government, the obligations of the company under a deed of guarantee relating to a term loan facility to be made available for the recommencement of the Four Seasons Development project.”

We are talking, Sir, the language of recommencement. In the context of admission from the Leader of Government Business that only eight villas have been sold...

Senator the Hon. Miss M. P. O. McCLEAN: On a point of order. The Honourable Member is misleading the Chamber. I very carefully said that eight villas have restarted at this point in time. I did not speak to that and I wish that the Honourable Senator would refer with courtesy to anything that I say. I am sure he understands when he said that I teach but maybe I need to lecture him on how to listen.

Mr. PRESIDENT: Senator Symmonds.

Senator K. D. SYMMONDS: Mr. President, eight villas have been restarted. I am not sure how much that helps the Chamber because if we are going to speak the language of recommencement, I think that we also have to understand that this project has been undertaken as a single exercise, one hotel and 35 villas. I think that the Chamber would do well if it could benefit from an understanding of how many villas have been started? Where are we with the

concept of pre-sale of the villas? How many of them have been sold? I would ask the question then because going back to the root of what is at the heart of this, it is a mix use project, you pre-sell the villas in order to help you finance the project and the revenue from villas sales go towards the cost of construction, so there is a reality behind asking this question. It is intimately connected to where you are financially in the project.

Mr. President, now that the Leader of Government Business has sought to distance herself from the suggestion that as many as eight villas have been sold and suggest that eight have been commenced...

Senator the Hon. Miss M. P. O. McCLEAN: On a point of order. The Honourable Member is again misleading the Chamber. I think that the comment that I am seeking to distance myself from... I rose, Mr. President, to correct a very specific statement made by the Honourable Senator on the other side that I said that only eight villas were sold. What I said was that at this time they had recommenced work on eight villas. I said nothing about how many have been started prior to the halting of the project or any such thing. I spoke very specifically. What was said by the Honourable Senator certainly sent a completely different message from what I said, so again I ask that he refers accurately to anything that I said in my opening comments.

Senator K. D. SYMMONDS: May I continue, Sir? I stand, Sir, on the point of the question that I make because having...

Mr. PRESIDENT: You need me to tell you if you may speak?

Senator K. D. SYMMONDS: I asked you if I could speak and I assume that your silence meant that I was granted permission.

Mr. PRESIDENT: It is a reasonable assumption.

Senator K. D. SYMMONDS: Okay, well then I would pause until I get your permission to proceed. Where are we, Sir? You are nodding, so does that mean I could speak now, Sir?

Mr. PRESIDENT: You may proceed.

Senator K. D. SYMMONDS: I am obliged to you, Mr. President, Sir.

As I was saying to the Chamber, the pre-sale of the villas finances the project and the revenue from the villas sale goes toward the construction or at least finances the project in part.

Senate A42 Sequence 30

In fact, as I said at the beginning, with the best intention in the world and being as charitable as possible, I did not attach very much merit to that which came from the lips of the Leader of Government Business. I genuinely did not attach much merit to it and therefore I am not seeking to dwell on what she said or did not say. I think the question that has to be answered by the Government is where are we with the presale process. If we are talking about eight villas, whether they have been began, whether they are in the process of construction or whatever, I am more concerned with where are we with the presale process of what is supposed to be as many as 35 villas.

Sir, part of the context in which this sale is suppose to take place and the transaction is that the villa owner, like any other person enjoying rights of title in Barbados, must have quiet enjoyment of his property. Therefore, he is not buying to come and reside on a construction site, the hotel and villas are part of one enterprise. As I said, the mixed-use approach means that the money from the presale is going towards the totality of the project, so if we are to understand...

Mr. President, it is alright to come and say give us a guarantee, I want to say at the beginning that the Government has the weight of numbers to get pretty much anything it wants. One of the tragedies of successive administrations in Barbados is that even though we look at the weight of numbers in this place, and it is supposed to be a review chamber in theory, the overwhelming weight of Government Bench allows the Government to pretty much do that which it wishes with legislation because it is the majority. Sir, that is not rocket science. Perhaps, one day coming soon, having understood the pain and agony of how that power can be misuse, then what should happen in Barbados is that you review the arrangements so that you can have a stronger Opposition Bench. Sir, one of the things we cannot get from in this debate...

Mr. PRESIDENT: I do not like interrupting the Honourable Senator but I am sure you would agree that you have diverted from the debate that we are having and have gone off into a new area of discussion. I am quite prepared to entertain that, if the substantive Resolution is brought.

Senator KERRIE D. SYMMONDS: Mr. President, I trust you will permit me to go back to where I came from. Sir, before I made that little aside, where I came from was the point about the presale of the villas and the importance of...

Mr. PRESIDENT: You do not know how I wish you would go back to where you came from.

Senator KERRIE D. SYMMONDS: That is alright, Sir. I sometimes feel that way myself, and I would not say about whom. Sir, the presale is the critical issue and no amount of contrived distraction will remove me from the pressing issue of where we are with respect to the presale of the villas because it is at the core of the transaction.

Mr. President, as I said, the property owners who will be the villa owners are entitled to quiet enjoyment, and there is a totality of what is taking place here, where there are 35 villas of a luxury nature and a hotel. Sir, where we are with respect to the presale gives us a fair understanding of where we are with respect to the likelihood of success at this time, which is why I ask the Government the question as to where does it see this matter going.

Mr. President, we have also heard some talk about redesign and I want to say that I do not take lightly the suggestion that you can simply secure a guarantee without fleshing out the framework of what this project is about and where it is going. One the one hand, you cannot speak to the redesigning of a set of villas and on the other hand speak to a hotel. What is it that we are redesigning? Are we redesigning the villas? If we are redesigning the villas, why has the Government not said to us, if it is that villa concept is being redesigned from being 35 luxury villas to something else, what is that something else. Is it that there will no longer be 35 luxury villas but rather there will be a few luxury villas and perhaps a couple of condominiums thrown in because you cannot get the villas sold at US\$18 and US\$30 million in this global environment? If that is the case, then why does Government not say so? I do not know and I have to ask the logical question. What are you redesigning because you only have the villas on one hand and the hotel on the other side.

Mr. President, on the hotel side, if it is that you are redefining and redesigning that which you speak about when you talk about the hotel, then we understand from the beginning that the hotel was supposed to be constructed for approximately US\$150 million. Has that been revised downwards because of the difficulty with the global economic environment and the difficulty in finding an investor? If it has been revised downwards, do not come to this place and have the temerity to expect that weight of numbers alone will give you a guarantee, you should have the good faith, courtesy and decency in public affairs to explain to this Honourable Chamber and by extension the people of Barbados that you are here also to out the position but that you had to put the hotel a little bit cheaper and perhaps a little bit smaller or whatever because of the fact that you are finding it difficult to raise the money.

Mr. President, that is the way I would have expected business would have been done, and no amount of artificial and contrived interference with my submission will allow

me to move from that point. It is a point which has to be taken seriously.

Mr. President, I say to this Honourable Chamber that the villas must be explained, because we have heard some talk from the Other Place, not from Minister of Finance, not from the Minister of Tourism but from the Other Place.

Mr. PRESIDENT: Senator, I know that you know better than to try to debate... You know it is contrary to the rules. I do not have to quote the rules to you, I know that the Honourable Senator knows that the debate in the Other Place has nothing to do with the debate in this place. I am fully seized of the knowledge that you are fully aware of what I am speaking about. I wish you would not do that to me.

Senator KERRIE D. SYMMONDS: Mr. President, I beg your pardon and I thank you for that intervention, that is one intervention for which I am grateful.

Mr. President, I say to you, I have head talk that the villas will not longer be 35 in nature and that the arrangement is to be changed. Mr. President, these are not matters that should be treated by whim and fancy, these are matters in which the public should be taken into the confidence of Government. We must therefore ask Government to explain to us what is the current status with respect to the proposed 35 villas. Mr. President, if it no longer going to be that there will be 35 villas, then what is the new projected arrangement?

Sir, the \$60 million that we may guarantee in here today... I say may because even though I spoke in the context of the weight of Government's numbers, I looked at the faces of some on the other side and I see uncertainty as to where they stand.

Asides.

Senator KERRIE D. SYMMONDS: Mr. President, men of good conscience often react that way. Sir, the guarantee that we may give in here today is one for BDS\$60 million but it must be in the context of an overall arrangement and we need to know therefore what is that overall arrangement. Mr. President, I go back again to the point of the hotel because if that is where the revision has come, we need to know that as well. If it is no longer going to be a \$150 million project, then what will it be and why? Those are the questions to which we need answers.

Mr. President, I would want to think that Government would come clean and tell us that Four Seasons... Sir, this should not be coming from the Opposition but the Opposition spokesperson in this Honourable Senate has to stand up in the Senate after the Bill is introduced and say that the Government was written

by Four Seasons from as far back as 2009 and Four Seasons is saying to the Government in writing that they have some concerns that if Government revises downward, the costing on the hotel may not meet the standard they require for it to be either a 5-star hotel or whatever.

5.25 p.m.

Wednesday, March 09, 2011

Senator K. D. SYMMONDS: Sir, from as far back as 2009, the Government was written by Four Seasons and Four Seasons has said to the Government in writing that they have some concerns that if you revise downward the size of the costing on the hotel that it may not meet the standard that we require for it to be Five Diamond, Five Star or whatever, so we need to be satisfied as to the new designs.

Mr. President, Four Seasons has said that, it is not a State secret. The Government has this penchant, - it is a French word, Sir, - this tendency of behaving ...

Asides.

SENATOR K.D. SYMMONDS: Sir, I am not going into any other matter but this is just like how people in Barbados found out that Great Britain was blacklisting this country in the international business sector because the Opposition said so. Sir, it is not a secret, we are talking about matter about which all of Barbados is very concerned and very interested, so why do you have to prise these things out of the Government as though you are pulling teeth.

Mr. President, I would have thought as well, Sir, that if you are going to adjust the nature of the villa arrangement and you may have pre-sold as many as eight...

Asides.

Senator K. D. SYMMONDS: I do not know how many have been pre-sold because that too, is not said. Sir, but how many you have pre-sold, you come back down the road now and you readjust the villa arrangement. If that is what you are going to do, it would seem to me that there is a legitimate expectation on the part of the person who has already committed to buy a villa because he expects that he is in a community of peers, each of whom, holding \$35 million in property and living a certain lifestyle commensurate, I would imagine, with that type of investment. Sir, that is how I would think. I do not have that kind of money so I know that at that level you must be even more concern about your exclusivity. (2:18)

Mr. President, if you change that arrangement then does it not impact on the legitimate expectation on the

person, who has already owned, and so does that not potentially also stand to compromise the well-being of this project? Sir, I am only asking.

Mr. President, I have to ask because the Government presented and carry us all around the world talking about the craftsmen and that you would get tables from Barbados to put in the hotel and stuff which is trite, every day common sense but not germane to the issue of the context within which we are going to guarantee an already borrowed loan of US\$60 million.

Asides.

Senator K. D. SYMMONDS: Sir, it is a question of where a private investor is going to come from to carry the rest of the risk. Sir, as I have said before, I have listened to Senator McClean, I have heard here talking about demonstrating a willingness to support investors and that the investors would be getting their monies but the investors remain unidentified entities. I have no idea who they are or if they exist.

Mr. President, I cannot, therefore, say that I feel comfortable in guaranteeing the exercise of building a foundation if I do not know where the building is going to come from and, Sir that is what we are being asked to do today. We are being asked to guarantee digging out a foundation but you have not got a clue up to this stage where the building is to come from. Sir, you have to ask these things because members in this Chamber from the side of the Government are not mute by malice. You cannot ascribe malice under the Rules to any member on that side so I can only presume that the muteness has been by visitation of God.

Mr. President, there is a larger issue of public policy, guarantee of a private residence. (4:23) Sir, it is unusual thing and the Leader of Government Business in the Senate has conceded that it is an unusual thing. It is highly unusual and unprecedented is the word. You are guaranteeing a multi-millionaire, foreigner, private residence in Barbados. The Government of Barbados is committing to pay if the bottom drops out of the basket for a multi-millionaire, foreigner, investors, luxury residence in Barbados. Sir, that is why I began with the Manifesto talk, the long talk about how certain investors have a knack for getting permission to build big houses and condominiums. Sir, the Democratic Labour Party wrote that but governed another mantra, so that we have come here to where we have never been in this country before, guaranteeing for a private investor a house valued at US\$38 million. Sir, I do not understand it.

Mr. President, if you wish to be very practical about the importance of tourism because the justification did not come from me, the justification came from the Leader of Government Business who is presumed, as a member of the

Cabinet to know whereof she speaks, and if she justifies it in the context of the importance of the tourism then, Sir, I ask the question: If up to December of the year 2010, one of the major chains in this island, Almond Resorts, to be specific was in a position, unfortunately, but none of us can take any pride out of the crumbling nature of enterprise in Barbados under this Government. Sir, Almond records a \$20 million loss as at December 2010. Is that not where you would be seeking to give a loan to help bailout, or carry, or tithe through an important, existing, employing-people entity such as that but, Sir, we are talking about boulders and stones. Mr. President, nobody knows if any investor is going to come to Barbados and buy into it. Sir, nobody knows because the Government has not said. We know that people have come here and seen and walked away, we know that. Sir, we know that Simon Cowell was here up to Christmas but he did not express any great degree of happiness with his association alleged with the project. Sir, we know that because it is a small island and you do not keep these secrets.

Mr. President, there is a need, therefore, for the Government to bear its breast on this matter because if it is that we are going to be committing resources to the tourism industry I prefer to know that we are helping an entity like Almond Beach that is already employing people, that is already up and running, that has already established a track record, and is suffering and struggling rather than a speculative exercise where there is nothing coming from the Government to tell us where we stand on the subject matter.

Mr. President, the use of guarantee is beginning to worry me in this country. The use of a guarantee is an easy mechanism because the majority can rule on the issue and a loan is obtained and you get a guarantee to back it, and fine but (8:00) we have to be thinking down the road, and we are talking about a lot involved in this here.

Mr. President, I go further because the Minister of Tourism makes the point, or what passes for the argument, that in the United States of America there was a Trouble Assets Relief Programme, that in the United Kingdom the Lord Chancellor bailed out banks so, therefore, in those major western capitalist societies Government has put itself in a position where public funds can potentially be used either by way of guarantee or directly used to help troubled corporations and enterprises. Sir, I have no quarrel with that but we have to go further. Sir, in law, we talk about peeping behind the veil, and when you go behind the veil you realise that the management structure was also dealt with so that in the Troubled Assets Relief Programme, President Obama would have, yes, placed public funds at the disposal of entities. Sir, I am not going to make the mistake of placing money at the disposal of an entity in the United States of America and a guarantee here because I understand that the money has not been directly place. Sir,

I do not require a further non-lecture but what I do require is an understanding. When you use those things as an example and a justification for what you are attempting to do, understand as well that the management structure of the entity also was changed so that the State then became part of the management structure very similar to what happened with CLICO in Trinidad & Tobago where the State became part of the management structure.

Mr. President, I say to you, therefore, that I reject completely out of hand the argument advanced to justify the approach taken by Government with respect to the guarantee of these private residences.

5.35 p.m.

Sequence 32

Wednesday, March 9, 2011

Mr. K. D. SYMMONDS: Mr. President, I say to you, therefore, that I do not accept it, In fact I reject completely out of hand the argument advanced to justify the approach taken by Government with respect to the guarantee of these private residences.

Sir, I am also concerned about the fact that ... and part of what we are dealing with, we are talking about paying large amounts of money every month. One of the things that we have to accept is that we want the best placed people to do that which they have experience in doing.

Sir, now I understand that the Government's major thrust with Professor Persaud's involvement is to raise the resources in the international marketplace. That is why I come back to that I departed on. Where are you with the effort to raise the resources. Do not come and say - Senator Boyce must know from his experience that the correct way of dealing with these matters is not just to say you want the guarantee, but to give the context within which the guarantee is to come, that you are trying to raise money and this is what you have been able to achieve thus far. These are the obstacles or hindrances that you have met thus far. These are the successes that you have met, because that is the only way in which we can be satisfied, that above and beyond the sheer weight of Government's numbers, that the very best of practice is being followed in a matter of public finance.

Sir, that to me is an elementary issue.

Sir, now we can add to all that I have said the very basic worry of which we are aware or should be aware, that the Minister of Finance has indicated a few days ago that tourism spend is down in Barbados, and tourism spend being down in Barbados means quite frankly that foreign

exchange is going to be down, but it also means that the recovery expected in this place is not at the rate that we would all have wanted to see. There is no joy coming from the Opposition in hearing that. There is no joy. Joy cometh in the morning, and the morning brings sunlight. That is not the morning. There is no sunlight with that news.

Sir, what we have to deal with, is this issue the very relevant and germane consideration that if the market is not responding the way we would like to now, then the effort that Government must be making - because this is all about tourism. Government is hoping that people are going to come here and invest in a hotel enterprise in a marketplace which is showing depression, and it does not follow logically that is going to easily happen.

SENATOR D.W. BOYCE: On a point of order.

I believe that Senator Symmonds inadvertently is misleading the Chamber. He may not know that the growth in tourism 2010 was positive, according to the estimates of the Central Bank of Barbados. The GDP in tourism was positive and the growth in arrivals in January 2011 was also significantly increased. Sir, what he may be referring to is that may be the average spend per night of visitors might have gone down. It is clear that the overall state of the industry has improved and the GDP and the overall spending in the industry has increased. Those are the facts.

Mr. K. D. SYMMONDS: I am heartened to hear that Senator Boyce has at last shed some light on some part of the matter, but the point is, if spend is down, that was what I spoke to and we have not left that point.

Sir, more people are coming...

SENATOR D.W. BOYCE: On a point of order. I think that it would be useful if we were to distinguish between the total spend in the industry and the average per night spend. The two things are very different and you can have the average spend per night go down, you can have more people in the country and more nights which would get an increase in the total spend. That is clearly what must have happened.

Mr. K. D. SYMMONDS: Sir, if it was a point I thought needed to belabour, I would give way, and I will very shortly, so that Senator Boyce can tell us which approach he wishes to take.

Sir, Senator Boyce would have a chance and he can tell us which approach he wishes to take because the case has been made. If it is that Senator Boyce wishes to rest all his hopes on the fact that the average spend is what is down per night, as opposed to the total, then, Mr. President, I am not going to quarrel with him. I would not, because as I said, I am a Barbadian too and I want to see the country

perform well, but what I do say is that on the early projections that we have up until now, and on the early figures we have coming out of the Central Bank from January and February, and on projections from March, I am making the point, which the Government is free to respond to, because they like to debate me from their seats. They are free to get up and respond. I am happy to be directed. Neither Government Business spoke and chose not to address half the things I addressed in this Chamber.

Sir, the point is, what we have to deal with is the fact that what I perceived as a depressed environment, it is going to be very difficult to do the kind of attraction of investment at the level we are talking about for the subject matter of tourism. Sir, that is really a worrisome thing. That is why I go back to the issue the Government needs, I think, to tell us what are the real challenges it has faced, if there are any successes, where the successes are, who they are seeing as the investor, if there is any, or is it just that we are coming here to guarantee the \$60 million that was managed to be raised to pay off some creditors and the Royal Bank of Scotland. Sir, if that is all it is about, then we should say so.

Mr. PRESIDENT: Senator, I have to draw to your attention that you have five more minutes.

Mr. K. D. SYMMONDS: Sir, I would not trouble you to take the five minutes. I thank you for your indulgence, Mr. President.

Mr. PRESIDENT: Senator Ince you have the Floor.

SENATOR J. INCE: Mr. President, I rise to support this guarantee by the Government of Barbados in the amount as stated within the agreement. Mr. President, it is amazing that Senator Symmonds could spend an hour not spewing facts, but anguish, that on this God given day when you would expect in one of the most challenging environments, one of the most hostile financial environments, this administration could see it fit to restart a project that is pivotal to the tourism industry in Barbados. When we thought that at the sight of that project and seeing as we drive along the West Coast, a project of that magnitude has started, he would have got up in this Senate and sing the praises stating that I would enter his gates with thanksgiving in my heart, seeing that project has started. I would enter his courts with praise, and I would say this is the day that the Lord hath made as far as Four Seasons, the brand name is concerned, I will rejoice, for he has made me glad in this recession, but he sought to go on the road of Damascus, persecuting the Democratic Labour Party and their efforts. Where was the Opposition tourism's plan.

Sir, I am going to make a little reference with your indulgence and permission. Sir, the Estimate debate, Thursday, March 19, 2009.

4.45 p.m.

Sequence 33

Wednesday, March 09, 2011

Senate A42, sequence 34, 5.44 p.m.

Senator J. INCE: Sir, these are the words of a former Prime Minister, now Leader of the Opposition, the Right Honourable Member for St. Peter.

Senator K.D. SYMMONDS: Mr. President, on a point of order. I think it is dated 2009. It is part of the Parliament of Barbados and to the best of my understanding, Sir, it therefore is not within the rules for it to be quoted.

Mr. PRESIDENT: What is the point of order?

Senator K.D. SYMMONDS: It is a procedural point. Sir, Senator Ince is attempting to read into the record, from a document which is created by Hansard during this course or this Sitting of the Government's life. I do not think, Sir, that is correct and proper and it should be disallowed.

Mr. PRESIDENT: I am trying to understand the point of order. Senator Ince is seeking to read from Hansard and you are objecting to his reading from Hansard?

Senator K.D. SYMMONDS: Mr. President, do you still have a difficulty with my point? My point is, Sir, that during this session of Parliament which began in 2008, it would not be within the rules for one to quote from statements made by members of this Chamber or of the other place that were made during the course of the session of the Parliament.

Sir, Senator Ince has given as the date of the speech to which he is proposing to refer 2009 in the month of March as I believe I heard him say therefore it would be within the life of this session and therefore improper under the rules of this Chamber.

Mr. PRESIDENT: Point made, Senator.

Senator K.D. SYMMONDS: I am obliged, Sir.

Senator J. INCE: Mr. President, may I continue?

Mr. PRESIDENT: Senator, you are entitled to quote from any document that you wish to quote from. I wish you would take account of the point of order which says that you are not permitted to quote from a session of Parliament which has already ensued.

You may proceed, Senator Ince.

Senator J. INCE: Thank you very much, Mr. President. Sir, if my memory serves me well, I can recall a statement being made and that statement was made in another place at another time by the former Prime Minister and now Leader of the Opposition, the Right Honourable Member for St. Peter, I said if my memory serves me well so Senator Symmonds can correct my memory by having a point of order but I am continuing. It was stated as far as I recall that the Four Seasons Project needed...

Senator K.D. SYMMONDS: Mr. President, on a point of order. I believe it is correct to say that Senator Ince would be misleading the Senate. Certainly, Sir, taking us where you have just directed me that we cannot go, you just instructed me, Sir, that it is not within my right to comment upon speeches made in the other place. Senator Ince, by his own admission, is relying on his memory for a speech which he claims is attributed to the former Prime Minister of Barbados and current Leader of the Opposition, and made on the Floor of the other Chamber.

Mr. PRESIDENT: Senator Ince is speaking from his memory. I am not clairvoyant. I am not able to see what his memory is saying. Until he says what he has to say there can be no point of order.

Senator Ince, you may continue.

Senator J. INCE: Mr. President, statements of that magnitude, projects of that magnitude and these are projects that were made outside of this place, statements that were made at meetings and, Sir, I am going to repeat. The Democratic Labour Party, this administration, should restart the Four Seasons Project in earnest.

Asides.

Senator J. INCE: Sir, it was too critical to the tourism sector of Barbados and the Right Honourable Member for St. Peter indicated, in his words, "I am going to instruct the administration to proceed with earnest because it is too critical to the island of Barbados and it was a failure on the part of the Democratic Labour Party because they have no vision."

Mr. President, we came to Parliament, we decided that we were going to put in place a structure for the Four Seasons and that is what it is all about so we are focussed. This is no willy-nilly decision and, Mr. President, when Senator Symmonds is going to make reference to the Democratic Labour Party Manifesto and he read from page 8 and it is important that he should have read other parts of the Manifesto, pertaining to Four Seasons. Surprisingly, Sir, when you look at the Manifesto, he made reference to land on page 8 but I would not go into that because if he

wants to, he would see that one of the things the Democratic Labour Party said is that we believe ownership is too important but I would not go into that.

What I am going to focus on, Sir, is that this Government recognises this that if you are going to enhance the lives of Barbadians, if you are going to enhance our tourism sector then it is critical that what we term brand-name projects are also part of the tourism mix. But Senator Symmonds is outlining that we sat down and got up one morning and decided that we are throwing the taxpayers' money to the wind, no study, nothing was done. He questioned how many villas are sold.

Sir, 35 villas are going to be constructed in that project and to date 12 villas have been sold at a cost of US\$15 million per villa at least, so let us give him some information. I always said, Sir, he has a chief economist and he should report to his chief economist when he is going to speak on these financial matters.

Senate A42, sequence 34, 5.55 p.m.

Wednesday, March 09, 2011

Senator J. INCE: Mr. President, the Honourable Senator is questioning where the other moneys are going to come from. Sir, page 15 of this Bill clearly outlines what are the procedures, how the project is going to be funded. It clearly states the Administrative Agent is satisfied. Mr. President, let me begin at Clause 8 subsection 2.

"The Lenders shall not be under any obligation to make any drawing available to the Borrowers under the Agreement unless, and until each of the following conditions is satisfied".

Sir, look at subsection (a). This is standard financial language. You do not have to spell out where the money is going to come from. These are things that are standard.

"(a) the Administrative Agent is satisfied that all of the issued and outstanding shares or other equity, membership or participation interest of each member of the Borrower Group are fully paid and registered in the names of the respective owners of such."

Once you are satisfied, the Administrative Agent would communicate to Government and says yes we are satisfied that this project is a go, then you could have the guarantee. It is standard language. This theatrics from Senator Symmonds.

Senator K. D. SYMMONDS: On a point of order. Senator Ince is grossly misleading the Chamber. Sir, at no stage during my speech did I asked anything with reference to the Administrative Agent being satisfied. These are

procedural matters. This is the mundane. I asked the broad macro issue. If we are to raise the next \$290 million, there should be investors so therefore who are the investors? Are there any? Has the Government been able to identify any? Those are the questions that were asked in the context of saying that it is not just about this \$60 million guarantee, which is the foundation but you got to build a house on top of it, where is that coming from. To come here now talking about an Administrative Agent being satisfied, that the issued and outstanding shares or other equity and membership or participating interest in each member of the Borrower Group being fully paid up, answers that question, is to move from the sublime to the absolutely ridiculous.

I have said before on the Floor of this House that I had accredited and attributed to Senator Ince some respect as being a serious person in the matters of finance. If he chooses to perpetually disabuse me of that notion, then I am prepared to lose the notion. Sir, I however want to hold on to the belief that Senator Ince is capable of treating to his own discipline with a measure of respect and seriousness. Sir, that which he just puts forward, I do not want to use unparliamentary language, does not accord with commonsense. You cannot answer the question of who are the investors, have any been identified, by coming talking a lot of mumbo-jumbo about Administrative Agents being satisfied. What is that?

Senator J. INCE: Mr. President, may I continue?

Mr. PRESIDENT: Senator Ince you have the Floor. Mr. President, if Senator Symmonds wants to lose confidence in the way that I think, let him go ahead. He sat in a Cabinet that approved \$40 million for a group of so-called investors in the Cricket World Cup. You did not know who they were? A ship that brought one individual to Barbados and we spent US\$40 million. There was no listing of who the investors were. All it said is that they provide services for the NFL. You could imagine that Senator Symmonds was part of a Cabinet where a group out of Miami said that they provided services for NFL but half of the persons in the Cabinet do not know where the Miami Dolphin trains, where they play or they cannot find the stadium but they went ahead and provide services for US\$40. It was no listing of investors and all of these questions that he now wants to bring to this Senate to make us believe that we do not know what we are doing. The Administrative Agent looks after that. I have been involved in too many projects before so I am speaking financial language and if it has him confused, he must say that but I am not apologising for anything. You speak legal language, I speak financial language, so do not cross your legal language with my financial language. I have been in this industry for too long.

Sir, it is important that once you examine the risk and that risk is carefully examined that Government would

seek to guarantee the moneys borrowed. Sir, what is important is that we are going to use local labour and professional services to carry this project forward, so do not question.

Mr. President, when you look at the tourism figures, the collapse of the financial industry has caused billions of dollars in capital not being moved to the region, persons were not travelling, the tourism numbers were down but they are now up. One of the areas that affected our tourism is Sam Lord Castle that is non-operational. These are some of the challenges but this Administration in the face of criticisms established trade links with Brazil. When they were saying that we were lost, we had no vision, we established trade links. We spent an additional \$6 million advertising Barbados as a tourism destination when they were accusing us of flying all over the place, drinking red wine, eating lobster and having Kodak moments. When they were accusing us of that, the results show that we were not wasting our time with red wine, lobster and Kodak moments but that we were working on the behalf of Barbadians. We established the Stabilization Fund for the tourism industry and that Stabilization Fund, heavily criticized, proved to be one of the key factors in minimizing the risk or the additional exposure in the tourism industry.

Mr. President, Senator Symmonds made reference to the exchange rate, that persons are asking more for the exchange rate and that was a sign of a lack of investors' confidence. Sir, I am going to say to the goodly Senator that when he speaks about the US dollar at the rate of two for one, that is street language but in strict language the US dollar is traded at 2.0388.

Senator K. D. SYMMONDS: On a point of order. I am submitting that Senator Ince is misleading the Chamber and that we should properly now return to Hansard and have much of that which he has said struck from the record. Sir, I have had an opportunity to read carefully page 15, Clause 8 (2) to which he alluded before when he spoke about the Administrative Agent and it is...

Mr. PRESIDENT: Are you quoting from Hansard?

Senator K. D. SYMMONDS: No, Sir, I am quoting from the Bill which is before us which we are debating. It is clear that page 15 Clause 8 (2) speaks about a Borrower Group, which is defined in this legislation as, Paradise Beach LLP, a limited liability partnership established and registered under the laws of England and Paradise Beach Limited, and Paradise 88 Ltd., companies continued and incorporated, respectively.

Sir, the legislation speaks further to the Borrower Group at Part D, borrowing part of the \$60 million...

Asides.

Senator K. D. SYMMONDS: That is where Senator Ince interrupted.

Sir, I began at page 15, at Clause 8 subsection (2) where the Administrative Agent, to which Senator Ince referred, has to be satisfied that all of the issued and outstanding shares or other equity, membership or participation interest of each member of the Borrower Group are fully paid and registered, et cetera.

Senate A42 Sequence 35

Mr. President, you turn then to the definition section at page 3 and you see that the "Borrowers" group means Paradise Beach LLP. It also means Paradise Beach Limited. It also means Paradise 88 Limited, and these are all companies incorporated and continued respectively under the Companies Act of Barbados. Sir, the obligations of the "Borrowers" are found at some of the Tranches in the legislation. For example, "Tranche B", at page 7 speaks to the "borrowers" utilising \$2 million of the \$60 million under review. At "Tranche C", speaks to the "borrowers" utilising US\$7 million, which is part of the \$60 million under review. At "Tranche D", it speaks to the "borrowers" utilising \$10 million, which is part of the \$60 million under review. Sir, it is clear therefore that this does not speak to the issue of investors, as Senator Ince has misled this Honourable Chamber to believe, it speaks to the people who are borrowing the money, who have already borrowed it and what we are here guaranteeing.

Mr. President, the question I raised was investors in the \$290 million to come from, and for Senator Ince to have this information in his hand and then seeks to pass it off upon this Honourable Chamber as representing that which were the investors in the rest of the money, is misleading. It is misleading, it is inaccurate, it is not substantiated by that which is black and white before us. The Borrowing Group, referred to in the section that Senator Ince interrupted to speak about, has nothing to

do with any investment in the future. It therefore means that which Senator Ince contributed should not have been allowed into the record and I am asking for a ruling that it be struck from the record.

Mr. PRESIDENT: Senator Symmonds, I am not going to so rule because when Senator Ince read, I followed what he was reading. He read just what you have read. I am not sure I understand what is the problem and until I can understand what is the problem, I will not be able to deal with it.

Senator J. INCE: Mr. President, the Honourable Senator is confused. Sir, reference is made to equity,

reference is made to shares. Sir, if Senator Symmonds wants to, I would like to ask him...Sir, I am going to proceed because he is totally confused.

Mr. President, Senator Symmonds made reference to the exchange rate. Sir, I am going to repeat. The exchange rate that I spoke about that says it shows when persons want more, that it was a lack of investors' confidence. That is street's language. If it annoys him, it annoys him, the Honourable Senator must get the financial language correct.

Mr. President, the foreign exchange rate is 2.0388, if you are looking at the rate of the Barbados dollar against that of the United States of America but persons on the street would say two-for-one. When you get into international language you cannot use two-for-one, you have to use 2.0388.

Asides.

Senator J. INCE: Mr. President, Senator Symmonds said that Almond Beach made \$20 million in losses - theatrics - and that we should have supported Almond Beach losses. He also said that we are going to guarantee this money.

Asides.

Senator J. INCE: Mr. President, when Almond Beach Hotel was sold to a local conglomerate, they said we were selling the family silver and that we were selling off the assets of Barbados. Sir, Almond Beach Hotel was shared to a Barbadian company and Barbadians bought shares in that hotel. That is clear.

Sir, when the Opposition stated they were going to sell the land to the highest bidder to pay the bills, it was not a problem for Senator Symmonds. He sat in Cabinet and said nothing. Sir, now Senator Symmonds wants to stand and create the impression that we are all over the place.

Asides.

Senator KERRIE D. SYMMONDS: On a point of order. Mr. President, Senator Ince is misleading this Honourable House. Sir, I regret that Senator Ince is in a mood where he wishes to be jocular. It might amuse him but it does not amuse me. Sir, at no time has any spokesperson for the former Government said that they were selling land in order to pay bills. From where has this come? Mr. President, if Senator Ince has come to a point where there is nothing left for him to say, he can sit. There is no parity attached to that but nobody has ever got up and said that they were taking up public land in Barbados to sell it off in order to pay bills.

Senator J. INCE: Mr. President, I remember my father saying two things to me: (1) bad management is worst than witchcraft and (2) be careful of a headless man on a trotting horse.

Mr. PRESIDENT: Senator Ince, I want to draw to your attention that there are no headless men in here on trotting horses.

Senator J. INCE: Mr. President, I said that my father said.

Mr. PRESIDENT: I understand what your father said. I just want to draw to your attention that in this Honourable Chamber we may not have any headless men on trotting horses.

Senator J. INCE: Mr. President, this Government is not hoping, Senator Symmonds said this Government is hoping that persons would come to Barbados. I have said time and time again that whenever there is a challenge, whenever there is a crisis in this country, the Democratic Labour Party is in office to deal with these serious issues, not the Opposition. Sir, if Senator Symmonds is rattled and bewildered by the performance of this administration in thirty-eight months, then let him remain bewildered, let him remain baffled because we are doing the people of Barbados business and we are focused. Sir, in the face of this recession, we were deemed wild boys and drift wood and if it the action of wild boys to get that project going, then let it be the action of wild boys. If it be the action of cowboys, then let it be the action. Mr. President, what I am saying to you is that we are not headless, we have our head on. We are not sitting on a trotting horse, we are in charge of this economy and we are setting the agenda for the people of Barbados.

Mr. President, we came to office in 2008 with the challenges and we outlined a plan for the tourism industry. We developed a Tourism Master Plan because we knew what we wanted and also the direction in which the tourism industry must go. Sir, with all the talk and all the brains on the other side, they did not have the focus to develop a tourism master plan for Barbados. We developed a Master Plan in 38 months. What has the Opposition done? Mr. President, it is important that these issues alone are talked about, it is important that Four Seasons Project is integral to the tourism sector of Barbados. It is critical to the economy.

6.15 p.m.

When we look at some of the other major properties that are non-operational. Sir, I must say that this Government continues to spend dollars in tourism - not just talk - and we are doing it in the face of a global recession and in the face of a hostile financial environment, and

we are getting positive results.

Asides.

Senator J. INCE: Sir, the results are there, so we are not going to be side-tracked.

Asides.

Mr. PRESIDENT: Order, please.

Senator J. INCE: We are going to continue along the path and we are not going to be side-tracked. Sir, the Senator is making reference to Almond Beach and he is concerned about the losses at Almond Beach but the Senator sat in Cabinet where the Gems of Barbados hemorrhaged financially and not a word from the Senator and, Sir, that was part of the tourism industry.

Mr. PRESIDENT: I have to caution you. Since you were not in the Cabinet, you are not able to speak of what the Honourable Senator said. He may have said some things which are not now known to any of us. I am just warning you.

Senator J. INCE: Yes, Sir, let me rephrase that. Sir, in the years of sitting as a Member of Parliament, I have not read any information as it pertains to the Gems of Barbados when that project was hemorrhaging and, Sir, it continues to hemorrhage and we are going to deal with. Sir, this administration is going to deal with the Gems of Barbados.

Asides.

Senator J. INCE: Sir, this administration is not going to be pushed into any corner by the Opposition. They had 14 years to deal with these issues and they failed in some areas. We are going to deal with the tourism sector and we are going to enhance the product. We are not going to leave any person behind. We are going to look after the plant of the industry. We are going to see the project through for the benefit of all and for the benefits of those in the tourism sector and, Sir, as I have said before, we are not going to allow the Opposition to set our agenda as far as this project is concerned.

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

Mr. PRESIDENT: Senator Crichlow.

Senator the Very Reverend H.E. CRICHLLOW: Mr. President, thank you. I rise to say why I cannot support the Bill on what I have heard so far. I hope that Senator Boyce will explain things further. Sir, guaranteeing a loan of \$350 million at this time in our...

Senator the HON. Miss M.P.O. McCLEAN: Mr. President, on a point of order. The Honourable Senator is misleading the Senate. There is a guarantee for US\$60 million. I think he is confusing the total value of the project with the sum guaranteed, Sir.

Mr. PRESIDENT: Point made.

Senator the Very Reverend H.E. CRICHLLOW: Sir, would this be the first guarantee of that loan? What I want to say is that at this stage in our financial affairs, we have to be very careful on the level of borrowing or of guaranteeing loans because the recession is still on. Sir, we are not in a healthy financial position and I think that the questions that the Honourable Senator Symmonds raised are good ones. This Bill has been rushed on us and I think it is fair to expect that Government would explain why the haste and also the financial state of the project itself. I was glad when I read in the news that Professor Persaud had actually found a way of recommencing the Four Seasons project and I thought that it was a completely private project. I never expected that Government would have been asked to guarantee a loan of whatever millions would be that loan.

Mr. President, I think we need to go a little slower on this matter. We have not had time to think about it. We have not been told enough about the actual state of the project, how many villas have been sold...

Asides.

Mr. PRESIDENT: Order, please.

Senator the Very Reverend H.E. CRICHLLOW: I am asking what was that money used for. We have not heard in the Senate the details of the project. I do not think it is fair to ask us to support a Bill that leaves so much to be deserved. I think we need more explanation of the financial state of the project before we can enter such an arrangement to guarantee the loan.

Sequence 37

Mr. President, I hope that before the vote is taken, the Honourable Senate will be enlightened by Senator Boyce on this matter. I would really like to support the Bill. I know that Government is working hard to see us through this very difficult economic period. I think that they ought to take us into their confidence, not only us, but the whole country. If reasonable explanations were given I am sure that people would support it.

I do not think there is need at this time for us to give the impression that we are keeping things close to our chests. I really think we have to come right out and tell the nation what it is all about and why we are in such a hurry,

and why we feel we have to support this private project. If it fails, it means that the Government has to meet this bill. I hope it does not fail, but these are strange economic times that we are living in and I do not think that the sort of Party rivalry should be promoted at this time when we need the help of both sides of the political divide to get us through this very difficult period. Anything that involves money of this nature, \$60 million, is bound to bring criticism, but I feel that if Government explains exactly what is being done and the stage that the project has reached, we know that employment will increase, and we are happy about that, but at the same time, I think that Government has a duty, an obligation, to tell us the whole story. Sir, too many side issues or non issues have been brought into the matter and it is just confusing to most people. It certainly is confusing to me. I am not an economic guru but I know that the financial state that Barbados is in right now cannot afford the luxury of guaranteeing massive loans.

Thank you very much, Mr. President.

Mr. PRESIDENT: Senator Cave you have the Floor.

SENATOR R.G. CAVE: Mr. President, I have been debating in my mind as to whether I should speak, but I know people would want to hear what my views are because many people have asked me whether the Government was sensible in doing what they have done. All I can say as a citizen living in Barbados and as a businessman, I very much supported the efforts that the Government has set out to do in terms of getting this project off the ground again. I did not know the details of it and I do not know the details of it. Sir, the principle of it I like very much and the person who is Chairing it I have a lot of time for, that is Professor Persuad. Sir, because he is there, I have some comfort in the fact that this would be successful.

Sir, I have to say that to bring a Resolution before the Senate today in a hurry like this, we were not given any notification, and not to bring the adequate information, I think is very poor. So if I was sitting here as a businessman trying to make the decision as to whether we should support this or not, I would have to say that the presentation has not been a good one as of now. So I am not convinced by the Government representation that this is a good project.

Sir, from the little knowledge I had before hand, I consider it to be a good project and because of who is Chairing it, I feel that he would not put his reputation on the line to do foolishness. To that extent, I am supporting it, but I really feel that, and I say this not only for this occasion but for future occasions. That is, if we have to have a Bill passed in a hurry, I think we should be given some message, even if it is a morning message to say that today we are going to be asking you urgently to deal with a

matter, and not to just bring us something which is a fait accompli anyhow. I mean it has been done so we do not have any way of stopping it, but still, at least we should have adequate information being put before us.

Sir, in fairness, we have had a presentation but I believe, so far Senator Boyce has not spoken and I know he has the financial knowledge of the project, and I would like to think that he could give us the assurance, from where he sits, he is comfortable.

Mr. President, just sitting here as a lay person I would say that Senator Symmonds has really positioned himself very strongly in asking many of the right questions. He has not been answered properly. He has been answered politically, which makes nonsense of a project. All I would say is that if I had to vote, I will have to vote no, and I do not want to vote no. I really would like to vote yes, because in spirit I have been supportive of this all along and I feel it is something which - I know it has happened already, because I know Government has passed the money. It has been signed off, and what we are saying here today is going to be nonsense, but what I would like to think that if in future we have brought a project, that we have brought with better information, what the chances are of paying it back, what is the likelihood of the sales of the villas, what is the likelihood of the hotel?

Sir, we know the difficulties that this country is going through. We know the difficulty that the world is going through. I know that all businesses are going through great difficulty with the fact that tourism is down, and it has affected the country. I used to be a Director of Almond Beach. I am no longer and I know they are struggling, a real struggle. We do are not going there. This is the project we are dealing with.

Sir, I think the restart of Four Seasons is very courageous. I very much support it all the way through. I am very supportive of the person who is in the Chair, but I have not been given the information today to make me feel comfortable that we are really into a successful project. So we are being asked to vote away \$120 million worth of the money of Barbadians.

SENATOR Hon. Miss M.P.O. McClean: Mr. President, I am sorry that I have to interrupt the Honourable Senator, but to suggest that we are voting away \$120 million...

Mr. PRESIDENT: Are you on a point of order?

SENATOR Hon. Miss M.P.O. McClean: On a point of order. The Honourable Senator is misleading the Chamber. To suggest that we are voting away, that is why I took time at the beginning, and I will do at the end, to explain the difference between allocating money and

providing a guarantee. I know as a businessman, the Honourable Senator knows what it is, but to say it like that again will mislead not only this Chamber, because Members seem to have difficulty with the concept that we are dealing with, but also persons listening to this broadcast.

SENATOR R.G. CAVE: Mr. President, the Senator is correct. I will withdraw.

Sequence 38

Senator M.P.O. McCLEAN: Sir, to say it like that again will mislead not only this Chamber because Members seem to have difficulty with the concept that we are dealing with but also persons listening to this broadcast.

Senator R.G. CAVE: Mr. President, she is correct and I will withdraw the statement that I made.

We are guaranteeing \$120 million and I am very hopeful that we will not have to pay out that money. We know that we have a difficult time in this country with tourism, with international business, and with the period we are going through in the recession. I am satisfied though that every effort can be made and although other villas in Barbados are not selling right now and other properties are not selling right now this is a super beach property.

It certainly had a big start and everything was looking good for it until the recession hit and then the problems that went with it. So I do genuinely believe that it will be successful and it can be successful. The part I do not feel comfortable about is the way the whole presentation has been made in a hurry. We have not been given the confidence of the financial person who was behind it up to now and with that I am a little bit nervous.

Fortunately at this stage, the vote has not been called for so I do not have to get there but the project is a good one. I really would like to think that we got better financial information, not only for this project but in future projects when we are presented with something for the National Housing Corporation to know, yes, we are doing things. I know Senator Ince did the last time when I asked, presented some good responses to that one but so far in this case, we have not heard satisfactory replies.

I thank you, Mr. President.

Asides.

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

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

I am going to try to bring some information to this Chamber, the language in which I used in my previous posting to render advice on this matter and the Four Seasons Guarantee. I believe that when I have done that persons who have concerns about some of the financial details will rest much easier. Let me however, Mr. President, hasten to say I know the business persons understand it very well. There is nothing called a project without risks. You may do all you can do to cover the risks of which you are aware and some contingent risks that may arise but you will never be sure that you have covered all of the risks that are in a project because you do not know all that there are and it is against that backdrop that I start.

Mr. President, when this project stopped, for almost a year, perhaps longer than a year, there were a number of private sector attempts to get involved in the project and to restart the project. None of those attempts were going with any progress on the matter. Everywhere Government went, where I went either with the late Prime Minister, the Minister of Finance, here in Barbados and elsewhere in the investment communities, the question of the Four Seasons Project, its stoppage and what impact it was having upon the likely capital flows coming into this country.

I remember when it stopped, it was employing several hundred persons. We were approached by Dr. Persuade with a proposal to resuming this project and that proposal involves a guarantee of \$60 million. It was not something which we would just tinker off and do immediately and several months went by with negotiations between Dr. Persuade and the team from the Paradise group and the Government to tighten up the conditions under which the Government would participate, If it participated at all.

Eventually we made the decision to participate by way of the guarantee. When the project came to us, we were advised that 12 of the villas have already been sold for a value which I believe Senator Ince indicated, \$180 million and approximately half of those monies have already been paid into the project and that along with the original investors equity of, I think, was approximately US\$40 million had been use to develop this island and so on to date.

Sir, we had 12 of those villas sold. We had some funds being spent and, of course, the model of development at that time was that you pre sold the villas and you kept the profit of villas you sold in the project and you kept on building out the project until it was finished. Of course that always depended on having a friendly banker who would stay there with the line of credit so that you could use when installment payments did not come in quite on time or to the extent you expected.

They had such an arrangement in place with Bank of Scotland, Ipsos, until the prices of 2007 caused Ipsos to terminate that arrangement therefore the project went into a liquidity spin, as it were, and to a stop. In order to get the project started there were two ways to go about it, either you get Ipsos paid out, borrow a loan to pay out the bank Ipsos and guarantee and move forward and pay off some creditors, especially some local ones and get things restarted or you let us go into administration or into a full liquidation. Mr. President, that would have taken several years, and going with the private sector approach to saving it would have meant that you would probably have gone ten years before that matter got started out properly and before they got going again and we thought if it was important for the country, to get the project going.

Mr. President, before we agreed to guarantee the loan, we had the land at Paradise valued. That land is 32 acres. And we had it valued, I think by two independent valuers, as well as the valuer that the Paradise group brought to us. The value of that land if I recall correctly from all three of those valuers, was well over US\$100 million so we were guaranteeing a loan of \$60 million and the basic land asset was valued over US\$100 million by three independent valuers.

Our approach, Mr. President, and this is part of why it took a little time to get done, was to say, yes, we are going to guarantee that loan. We must hold a second mortgage on that property. The bank will, of course, have the first mortgage because they were lending the loan, and so we took a second mortgage on that property. If at any time - and we do not expect this to happen - we had to Honour that guarantee, the Government and the people of Barbados would end up owning all of that land at Paradise because that second mortgage covers that arrangement, so we took that step to protect ourselves and the people of Barbados.

Senate A42, sequence 39, 6.45 p.m.

Mr. President, as I said just now, the model must use the profits from the houses and so on and to borrow the rest of the money for the construction of the hotel, that was always part of the arrangement.

Mr. President, when the matter came to us with a 12-month loan, we require that the loan period be extended to allow time to find a long-term loan that would repay the short term borrowing coming from ANSA McCAL and provide enough funds for the construction of the hotel. I have been advised that there is now on the table a proposal from the bank for the long term financing of the hotel and the rest of the project and the interest on that and that the bank does not require any increase in the guarantee from the Government of Barbados. Sir, it appears now that financing the project has gone to the stage where when this

loan is due for repayment, there are funds to repay that loan and funds to continue the project up to the completion of the hotel. Sir, that makes me rest a little bit easier in the evenings. That is a long-term loan.

Mr. President, there is the question of the hotel. Professor Persaud had indicated to me that they would at all times, rather than work on the redesign of the hotel, make it more commercially viable. They will be working at all times with the Four Seasons people. I myself have spoken to the Four Seasons people and they have expressed complete interest to remain in Barbados for this project. Mr. President, average cost and the average finish of the rooms that were being proposed in this project, I am made to understand, were higher than what Four Seasons required. The effort now being performed by Professor Persaud is to bring those rooms at a cost into the kind of level that Four Seasons would normally accept and be prepared to go with. They are working all the times with Four Seasons on that design to make sure that Four Seasons is properly satisfied when that is finished. The hotel may be a tab smaller, maybe about 10 rooms smaller, than originally contemplated but it can make the cost significantly different. They are trying to bring that cost in line so that the project is able to pay for itself going forward.

Mr. President, knowing that ANSA Merchant Bank had agreed to give them time to find long-term financing for the project, we felt reasonably comfortable in proceeding. We also felt, Mr. President, that we could not ignore the management arrangements in the project and so we insisted that Government appoints half of the directors of the company that is going to manage the project going forward. There are eight directors and Government has appointed four. The eight directors will vote for an Executive Chairman and we have agreed that Dr. Persaud, who seems to have the confidence of most of the villas owners and most of the investors, will continue to be the Executive Chairman of the group. I believe that there are some sterling Barbadians who are members of the Board from the Paradise side, I will not call their names but they are private directors. From the Government side we have appointed four persons; one is versed in accounting and finance, one is versed in civil engineering, one is a lawyer and one is a tourism specialist, to make sure that the interest of the people of Barbados are well-represented on that Board and to ensure that the Board is run properly.

Mr. President, I have no difficulty with the Board. I believe that the Board intends to run it properly. They have gone to the approach of hiring professional managers and a professional project management company and they have gone the route of public tender for all of the work to be done. They have already begun some work and called for some tenders from a number of people here. That arrangement seems to be going very well. It is good

governance, it appears to me, and we have got the right skills on the Board to make sure that the interests of the country are protected.

Mr. President, that is important because when they did it in the United States of America, they also made sure that they got some Government people in the management structure of it and we have done that. We knew that had to happen. I was not going to agree to any arrangement to guarantee that amount of money for a private arrangement without two things;

(1) us having a second mortgage on the land inside there; and (2) us having at least an equal voice in the management of that arrangement, and that is what we achieved.

Mr. President, there are still plans to have 35 villas to the best of my knowledge. I know that one person has apparently bought two villas and decided that the two villas separately did not satisfied what he wanted. He said his two should become one because he was accustomed to a little bit more space than one of those villas would give you. I do not know which one it is. Senator Symmonds probably knows better than I do which one it is. I live a very simple life, I do not know about these things.

Mr. President, there is some contemplation that there is the possibility of doing some of the villas in such a way that we can have a house type apartment as part of those villas, not as separate things but some little redesign to make them a little bit more attractive for the people down there. He may go and visit, I have no idea.

Asides.

Senator the Hon. D. W. BOYCE: I have done a little hobnobbing with him and he may be able to do that. I take it that he would also invite you too to come to the hobnobbing occasionally.

Mr. President, in a nutshell that is what is happening. I have been advised that since the guarantee was announced since the creditors have been paid and since the work has begun on the site, albeit it not at the full level but there has been a significant increase, that the number of visitors has increased, they are interested. I am also advised that we should begin to see additional sales from as early as April this year. I do not know, this is what the person in charge of sales has just indicated to me. I hope for all of us that he is right and I really want to believe that he is right.

Mr. President, we also got all the owners who brought villas already to begin to put up their payments again but they are doing it carefully. They have been in it before. The project has not gone so what we have crafted out is an escrow arrangement where the funds are put into

escrow and that escrow is being managed by a separate independent trust to make sure that the project delivers. Once the project delivers as it has promised to those house owners, then they would possibly release the funds to the project so that there is no question of the funds.

Senate A42 Sequence 40

Sir, the arrangement where they are putting the money back into the escrow account speaks to economies we now have and to the way that deposits are structured. Sir, it strikes me that they have confidence in what we are doing and what are the arrangements. Sir, we on this side have worked very hard to ensure that these things are put in place. Doctor Persaud and his team have worked very hard. Some Opposition Members have worked very hard to get that done properly. Sir, I am delighted to know that when the chips are down, when we have to pull together, that this country will still pull together irrespective of political affiliation. That has made Barbados successful in the past, I hope that it continues. Mr. President, those are the things we are trying to do.

I have every confidence that the project has as great a chance as any other now to succeed in Barbados. I think the fact that it has begun has sent hope to other projects that have been looking at Barbados and hoping to resume. I just want to dwell very briefly on the urgency of this matter. Mr. President, we started this project off with a letter of comfort because that was what we needed to do quickly to get the project going. Letters of comfort normally exist for six months. We have found too many instances in the administration where loans have been secured by letters of comfort which has not sometimes been rolled over, on the promise that the guarantees would be brought to Parliament and passed and to provide the adequate security for those loans.

Mr. President, loans secured by letters of comfort do not get the same rating found in the banking authorities as loans secured by Government guarantee. Therefore, a bank on exposure of US\$60 million would want to get in place a guarantee rather than a letter of comfort. Mr. President, you could recall that several times in this Honourable Chamber, you had to get guarantees passed for loans that had been made many years in the past and which had been secured with letters of comfort.

Asides.

Senator the Hon. DARCY W. BOYCE: When one gets older, one does not remember all those things but it is certainly more than three years.

Asides.

Senator the Hon. DARCY W. BOYCE: No, it has nothing to do with Barbados Tourism Investment Inc. because I do things properly.

Asides.

Senator the Hon. DARCY W. BOYCE: Mr. President, we had to bring it quickly and I do regret that apparently this Bill only passed last night but I think there is reason for it. Obviously, it is a matter of conscience as well if a bank has gone out on a limb to give you a loan of \$60 million and this is by letter of comfort to be converted into a guarantee, you would want to have that guarantee sorted out. They are also interested in continuing with the project.

Mr. President, we do apologise, there is attempt to ram this Bill down the throats of Barbadians, it is just that we have to get the guarantee done, so that the bank would feel confident in its continued relationship with the country.

Mr. President, I trust that my few words have brought light to all Honourable Senators here and to the listening public that we have not done this matter in a crazy manner but that we have tried to do everything as carefully as possible, from both a financial and legal perspective and to make sure that the rights and interest of the people of Barbados are protected and that we give ourselves a chance to succeed and once again to make this country a model country for investments here.

Mr. President, I thank you.

SENATOR the Hon. M.P.O. McCLEAN: Mr. President, I rise to wrap up on this debate and I want to thank my colleague, Senator Boyce, for his usual reason, accurate and well-explained and presented contributions. Sir, having said that, I also want to take some time to chastise the Honourable Senator on the other side because I believe that when I stand here as Leader of Government Business, I seek, as best as I can, to put the facts and not to confuse, not to dramatise, not to create confusion when none is intended. I believe having said what I said and in large measure I would have addressed some of the points made in the last contributions in general terms, much of that would have got lost in a number of statements made by the Honourable Senator on the other side. Sir, the Honourable Senator waxed long and large about the actions of this Government and so I need to be political, if the Honourable Senator wants to so label it. Sir, in doing so, the Honourable Senator confused many people on the outside and I am sure he also confused

Senator Chrichlow.

Sir, I took pains to explain a guarantee, not because I resorted to what would have been my professional inclination of more than two decades ago, that is to train, teach and educate but to explain what I understood from having my ears on the ground that people did not understand, largely because of the mouthings of people who should know better. Sir, I realised that explanation got lost in the confusion of statements subsequent to what I said. I was very clear when the Honourable Senator Chrichlow made his contribution.

Mr. President, it is unfortunate, and I would use a term that is often used by one of Senator Symmonds' colleagues, I find it passing strange that his position seems to run counter to his current Leader of the Opposition and that Leader's current predecessor, who has significant knowledge of this project. Sir, the general appreciation by the people of Barbados and persons on the outside, as you have just heard, is that Government has to step in where challenges of this magnitude occurs. Senator Symmonds seems not to be following that script or maybe they do not have a script these days.

Mr. President, I was not in room physically but I was in the precincts where I heard the contribution from a person, who minutes before spoke about the policy of constructing villas, suggesting that we were guaranteeing the construction of luxury homes for foreigners. Sir, this would give the ordinary Barbadian the impression that we were doing something out of the ordinary for persons who do not need our help. Sir, as part of this project, the construction of villas and a hotel is about a project in the same way we would construct a hotel, we would construct manufacturing complex, as the Industrial Development Corporation would do to facilitate business in Barbados and so anybody listening would go away with the notion that we are doing favours for people who do not need our help.

Sir, by giving the impression that somehow this money was going to be thrown into a pool when, in fact, it was a guarantee, is to suggest that somehow this Government was being irresponsible when, in fact, as you have just heard, we were being very responsible, given the clear and present dangers. Mr. President, I cannot leave it at that, for the records I have to correct these misinterpretations and the consequences of statements that confuse. Why should I leave it at that when persons have their opinions warped or modified because of statements from someone who should know better. Sir, as Leader of Government Business I cannot sit down or as a person who the interest of Barbados at heart; as someone bred and born in Black Rock, a couple hundred yards away from the Four Seasons, a beach that I grew up on, a beach on which I was even yesterday morning.

Asides.

Mr. PRESIDENT: I did not see you.

SENATOR the Hon. M.P.O. McCLEAN: That is alright, I did not see you either, Sir. Mr. President, this is serious business and when these things happen they upset me.

7.05 p.m.

Sir, we have committed ourselves, as a Government, to ensuring that things are done properly.

Sir, references were made to other Letters of Comfort. Mr. President, I happened some years ago to sit as a director first, of Caribbean Commercial Bank and later, of RBTT Bank and I can tell you the hassles we had as directors dealing with a Letter of Comfort in relation to a major project, the Judicial Centre. Sir, you know when that guarantee was done, not when I was a director of the bank, but when I was a Senator I led off that discussion because we were cleaning up, so I do not want people to come in here and confuse. Sir, this is about tourism and when we hear comments about us talking about planes coming from Brazil...

Asides.

Senator the HON. Miss M.P.O. McCLEAN: Sir, I am just adding this in because it found its way into this debate about planes coming from Brazil empty but we are doing this because, Brazil, as one of the leading developing countries in the world, has had continued growth throughout this recession and that is one of the places where we have hundreds of millionaires and several billionaires who will be the people we want to attract to come to Four Seasons.

Mr. President, just for the record, I want to indicate clearly that since December 25, 2010, Christmas Day, every flight that has been coming from Brazil is coming with at least 200 or more passengers, from the 737 which carries about 120 persons to the 767 which carries the 200 plus passengers, so we are taking the business of this economy seriously and, Sir, I challenge every one of us in here to do so.

Mr. President, I know that we have Government, Opposition and independent but when we start to raise questions and bring criticisms...

Senator the HON. Miss M.P.O. McCLEAN: I heard the criticism of Senator Cave because he was basing it on what he heard after me and, Sir, you know what happens, every time there is a speech you start to forget what went before so some of the facts that I put on the table would have been confused by the theatrics of my distinguished colleagues on the other side.

Asides.

Senator the HON. Miss M.P.O. McCLEAN: Well, the responses I heard indicated that there was confused. Mr. President, I cannot help being a teacher and when there is ignorance I have to teach and when there is incorrect information disseminated. I have to teach when I have to show people that they did the right thing and so I ask, Sir, that we recognise that this Guarantee which is a commitment to secure a decision to lend money to get this project up and going and, Sir, the project has started. Sir, those persons who were skeptical in terms of buying, we have heard that sales have been made in excess of eight. I made a statement that work has started on eight villas and it was put out there that only eight villas were sold and that has been correct.

Mr. President, I trust that as you and I continue to use the beach at Brandons going down to Fresh Water Bay that we will see the buildings rise from the ground, we will see the villas constructed and occupied, we will see the hotel completed and when my son continues to surf in that area he will look and say, "this could have been otherwise."

Mr. President, this Government has taken the time and the responsibility to facilitate the relaunch of this project and, therefore, Sir, I believe it was a very good decision and it was not one taken lightly. The kind of analysis that went into it, some of which we heard... We are seeking to follow what is best practice rather than having a Letter of Comfort lingering to take the necessary steps as expeditiously as possible and given that time-frame, we are up against the clock.

Mr. President, again, I would also apologise to my colleagues but I would say to you that there comes a time where we have to do something like this in order to ensure that the best interest of the country is served.

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

The question was put to the Senate and agreed to.

On the motion of SENATOR the HON. 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.

Clauses 1 - 4 were called and passed.

The First and Second Schedules became the Schedules 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 Clear Water Bill Limited Guarantee of Loan Act, 2011.

Sequence 42

ORDER NO. 5

RESOLUTION TO APPROVE THE GUARANTEE BY THE MINISTER RESPONSIBLE FOR FINANCE, OF THE ADDITIONAL SUM OF \$12 850 000 IN THE CURRENCY OF THE UNITED STATES OF AMERICA AND INTEREST THEREON TO BE BORROWED BY CAVES OF BARBADOS LIMITED FROM THE CARIBBEAN DEVELOPMENT BANK.

SENATOR Hon. Miss M.P.O. McClean: Mr. President, this Resolution to approve the guarantee by the Minister of Finance for an additional sum of US\$12 850 000 and interest to be borrowed by the Caves of Barbados Limited from the Caribbean Development Bank is an important guarantee. Sir, if I start with my involvement in the cruise industry, one of the points that came home forcefully to me as a Director of Bridgetown Cruise Terminals Inc. was the importance that Harrisons Cave played in our portfolio of attractions for visitors especially cruise visitors. Harrisons Cave, a natural phenomenon, has been very much in demand over many years as cruise ships call here, and as visitors and generally Barbadians look for something of interest to do. Sir, given that importance, I also was made very much aware of the difficulties that were being experienced, by persons who would normally have benefited from transporting persons to Harrisons Cave and even from the perspective of cruise lines.

Sir, I remember sitting in meetings in Miami, in the offices of a couple cruise ship lines, trying to convince them not to drop Harrisons Cave as one the items on their onshore activities, because the Cave had been closed and promises have been made of its reopening on several occasions.

I remember having to quietly try to stop an officer of that entity from speaking in a meeting when he was justifying the temporary opening of that cave during Cricket World Cup. After the meeting, the other representative from the Cruise Terminals and myself had to say to him, any company you have been trying to argue the we need it to close does not want to hear you are opening it to make it available for somebody else.

Sir, I made reference to all of that to highlight the inordinate amount of time that went by as we sought to upgrade the Cave and to enhance its surroundings, et cetera. Sir, as time went by, what we also saw going by was the sum of money that would have been involved.

Sir, my understanding that the Caves of Barbados Limited would have sought to have an original loan of approximately US\$17 million for the financing of the revamping of the Harrisons Cave facilities, road safety and improvements to the equipment and the operations of the Cave, et cetera. Sir, at the end of the day, we found happening was that it took quite some time to get that project completed.

In fact, when we came into office it was at a standstill, the initial expenditure had been exceeded and we really were faced with a number of problems related to that. As I said it is a major attraction, and the loss of the revenue not only to the Caves Authority, but to persons who participated in either transporting persons to the Cave, et cetera, was a very real loss. Sir, I believe that we had to do something and something was done.

The Caribbean Development Bank was approached for additional financing and that would have been done. The bank noted that the scope and the project were unchanged. Of course, in negotiating it was established that the scope of the project had largely remained unchanged, even though there were some design changes, et cetera. At the end of the day they have agreed to provide the additional funding and we need to put in place the necessary guarantees.

Sir, I am happy now to report that for anybody who has visited the Cave since the completion of the major works, I do not believe that all that has to be done has been done, but it is now back in operation. It continues to be a national treasure, and we are happy to have been able to initiate this. Sir, what we are not happy about was the final cost of this project to date, or the cost incurred to date. However, those things have occurred. Again we have sought to salvage the situation in a matter of quick time to deliver the completion of that project.

Sir, this process of guaranteeing loans is one that has been used and will be used as Government seeks to support its several entities, statutory corporations, companies owned by Government, et cetera. Therefore we anticipate that Harrisons Cave will continue to deliver for Barbados in the way that it has done before. It is anticipated that based on sound management, et cetera, the payments which should be made over a four-year period, after a specified moratorium, will kick in and we will be able to manage this.

I also trust that persons who are employed and who utilise the facilities there, et cetera, will treat them with a level of respect to ensure that we are able to maximise the returns on the investments made in that Cave. I anticipate that even if you have not visited it since its renovation, you+ would be pleased with the nature and scope of those renovations.

Mr. President, this was a project long in the completion and we trust that we would also see the benefits over an extended period of time.

Sir, with those few words I beg to move that this Resolution do now pass.

The question was put to the Senate and agreed to.

ADJOURNMENT

SENATOR Hon. Miss M.P.O. McClean: Mr. President, I beg to move that this Sitting be now adjourned until, Friday, March 11, 2011, at 11.00 a.m.

The question that the Honourable Senate be adjourned until Friday, March 11, 2011, was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.

7.24 p.m.

Sequence 43

CONTENTS

PAPERS

Senator the Hon. Miss M. P. O. McCLEAN.....1

1. Barbados Human Resource Development Strategy, 2011-2016;
2. Estimates of Revenue and Expenditure, 2011-2012;
3. Schedules of Personal Emoluments, 2011-2012;
4. Revised Estimates of Expenditure, Dying Heads and Dead Heads;
5. Duties, Taxes and Other Payments (Exemption) (Barbados Rally Club) Order, 2011.

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

SUSPENSION OF STANDING ORDERS

Senator the Hon. Miss M. P. O. McCLEAN.....1

INTRODUCTION OF BILLS

Senator the Hon. Miss M. P. O. McCLEAN.....1

1. Land (Titles Proceedings) Bill, 2011;
2. Claywater Bay Limited (Guarantee of Loan) Bill, 2011;
3. Income Tax (Amendment) Bill, 2011;
4. Pensions (Miscellaneous Provisions) Bill, 2011;
5. Ministers and Parliamentary Secretaries (Remuneration and Allowances) (Amendment) Bill, 2011;
6. Value Added Tax (Amendment) Bill, 2011.
7. Resolution to approve the guarantee by the Minister responsible for Finance, of the additional sum of

FIRST READING OF BILLS

Senator the Hon. Miss M. P. O. McCLEAN.....2

1. Land (Titles Proceedings) Bill, 2011;
2. Claywater Bay Limited (Guarantee of Loan) Bill, 2011;
3. Income Tax (Amendment) Bill, 2011;
4. Pensions (Miscellaneous Provisions) Bill, 2011;
5. Ministers and Parliamentary Secretaries (Remuneration and Allowances) (Amendment) Bill, 2011;
6. Value Added Tax (Amendment) Bill, 2011.
7. Resolution to approve the guarantee by the Minister responsible for Finance, of the additional sum of

PUBLIC BUSINESS

SECOND READING OF THE COMPANIES
(AMENDMENT) BILL, 2011.

Senator the Hon. H.L. BENN.....2

Senator K. D. Symmonds, 5, 8, 9; Senator the Hon. Miss M. P. O. McCLEAN, 8, 12, 13, 15; Senator the Hon. Darcy W. Boyce, 9; Senator R.G. Cave, 10; Senator J. Ince, 11, 12.

COMMITTEE

Senator the Hon. Miss M. P. O. McCLEAN.....14

RESUMPTION

ORDER NO. 2 – IMMIGRATION (VALIDATION OF
FUNCTIONS) BILL, 2011.....15

Senator the Hon. Miss M. P. O. McCLEAN, 15, 18, 20;
Senator Dr. F.L. Chandler, 16; Senator R.G. Cave, 17.

ORDER NO. 3 – LAND (TITLE PROCEEDINGS) BILL,
2011.....20

Senator the Hon. Miss M. P. O. McCLEAN, 20, 22, 29;
Senator Miss S.J.O. Bradshaw, 22; Senator R.A. Hunte,
23, 25; Senator K. D. Symmonds, 25, 26, 27, 28.

ORDER NO. 4 – THE CLEARWATER BAY LIMITED
(GUARANTEE OF LOAN) BILL, 2011.....29

Senator the Hon. Miss M. P. O. McCLEAN, 29, 32, 36,
37, 46, 47, 48, 51, 52; Senator K. D. Symmonds, 33, 34,
35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45; Senator the Hon.
Darcy W. Boyce, 41, 48, 50, 51; Senator J. Ince, 41;
Senator J. Ince, 42, 43, 44, 45, 46; Senator the Very
Reverend H.E. Crichlow, 46; Senator R.G. Cave, 47, 48.

ORDER NO. 5.....53

Senator the Hon. Miss M. P. O. McCLEAN, 53.

SUSPENSION.....15

ADJOURNMENT.....54

Senator the Hon. Miss M. P. O. McCLEAN, 54.

SPEAKERS IN THIS ISSUE

BENN, Senator the Hon. H.L.

BOYCE, Senator the Hon. DARCY W.

BRADSHAW, Senator Miss S.J.O.

CAVE, Senator R.G.

CHANDLER, Senator Dr. F.L.

CRICHLLOW, Senator the Very Reverend H.E.

HUNTE, Senator R.A.

INCE, Senator J.

J.INCE, Senator

McCLEAN, Senator the Hon. Miss M. P. O.

SYMMONDS, Senator K. D.

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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. 4, Senator K. D. Symmonds, take-slip S/A42 about 5.35 p.m.. The sentence ‘I say to you, therefore, that I reject completely out of hand the argument advanced to justify the approach taken by Government with respect to the guarantee of these private residences’ appears just before the take-slip and again, slightly reworded, just after it. It may be an overlap between two reporters’ takes; both are printed. Please confirm.

Q3. Order No. 4, Senator J. Ince. One paragraph of Senator Ince’s speech (from ‘Mr. President, if Senator Symmonds wants to lose confidence...’, about 550 words) is run into the President’s call ‘Senator Ince you have the Floor’ and carries the label ‘Mr. PRESIDENT’. Printed as in the source.

Q4. Order No. 4, name of the company. The Bill is listed at notice and first reading as the ‘Claywater Bay Limited (Guarantee of Loan) Bill, 2011’, but the Order heading and debate give ‘Clearwater Bay Limited’; the Leader also refers to the project ‘at Freshwater Bay or Paradise’. Printed as in the source.

Q5. Speech labels. The Leader of Government Business is labelled with the initials ‘M. O. P.’, ‘M. P. O.’ and, in the procedural lines, ‘M.P.A.’ McCLEAN; Senator K. D. Symmonds is in places labelled ‘Mr. K. D. SYMMONDS’. Printed as in the source.

Q6. Order No. 1, Committee. The report from Committee on the Companies (Amendment) Bill is made ‘to His Honour SENATOR SIR BRANFORD TAITT’, and the Bill is said to have been ‘read a second time and third time’ after the second reading had already been agreed. Printed as in the source.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The Senate met on Wednesday, 9th March, 2011 at 11.15 a.m., with Mr. President in the Chair; prayers were led by Senator the Very Reverend H. E. Crichlow. The Leader of Government Business, Senator the Hon. Miss M. P. O. McClean, laid the Barbados Human Resource

Development Strategy, 2011-2016, the Estimates of Revenue and Expenditure and Schedules of Personal Emoluments for 2011-2012 and the Duties, Taxes and Other Payments (Exemption) (Barbados Rally Club) Order, 2011. Standing Orders 22(1) and 45(2) were suspended, and six Bills and a Resolution on Caves of Barbados Limited were read a first time.

Senator the Hon. H. LaV. Benn moved the second reading of the Companies (Amendment) Bill, 2011, which closes loopholes concerning charities and non-profit organisations in line with the Financial Action Task Force recommendations. Senator K. D. Symmonds spoke on it together with the International Trusts and Service Providers legislation, and Senator McClean, on a point of order, assured him draft legislation was coming. Senator the Hon. D. W. Boyce said a regulation had been laid allowing the Income Tax Commissioner to exchange information to the international standard, and Senators R. G. Cave and J. Ince supported the Bill. Senator Ince withdrew a remark that the Foreign Minister had no training, after Senator McClean cited her Master of Arts in International Affairs. The Bill passed through Committee, with Senator Miss Kerryann F. Ifill, Deputy President, in the Chair.

After a suspension until 2.05 p.m., Senator McClean moved the Immigration (Validation of Functions) Bill, 2011, to validate acts done by Senator Boyce and the Parliamentary Secretary in the Prime Minister’s Office, Hon. Harcourt Husbands, while they held immigration responsibilities; Senators Dr. F. L. Chandler and Cave spoke on work permits and immigration policy, and the Bill passed. She then moved the Land (Title Proceedings) Bill, 2011, to simplify the proof of title for Barbadians who never received or have lost their deeds. Senators Miss S. J. O. Bradshaw, R. A. Hunte and Symmonds supported it, Senator Symmonds noting that the practice was over 100 years old, and it was passed as the Land (Title Proceedings) Act, 2011.

On Order No. 4, the Clearwater Bay Limited (Guarantee of Loan) Bill, 2011, Senator McClean explained that the guarantee would allow the Four Seasons hotel and villa project to restart, with villas priced at US\$20 million to US\$30 million, and that eight villas had been restarted. Senator Symmonds questioned guaranteeing a speculative project of one hotel and 35 villas when Almond Resorts had recorded a \$20 million loss, and asked what progress had been made in raising funds; his speech drew repeated points of order and reminders from the Chair. Senator Ince supported the guarantee and recalled the \$40 million spent on Cricket World Cup investors, leading to further points of order. Senator the Very Reverend Crichlow said he could not support the Bill on

what he had heard, and Senator Cave supported the project but withdrew a statement that Government was ‘voting away’ money.

Senator Boyce explained that the proposal involved a guarantee of \$60 million, that 12 villas had been sold for about \$180 million, that the original investors’ equity was about US\$40 million, and that three valuers had valued the land at well over US\$100 million. Senator McClean

replied, and the Bill passed through Committee (clauses 1 to 4). Finally, she moved Order No. 5, the Resolution to guarantee an additional US\$12 850 000 to be borrowed by Caves of Barbados Limited from the Caribbean Development Bank for the long-delayed revamping of Harrison’s Cave, against an original loan of about US\$17 million; it was agreed to, and the Senate was adjourned until Friday, 11th March, 2011 at 11.00 a.m.