

No. 8

TUESDAY

First Session

16th October, 2001

Seventh Parliament

SAINT VINCENT AND THE GRENADINES

THE

**PARLIAMENTARY DEBATES
(HANSARD)**

ADVANCE COPY

OFFICIAL REPORT

CONTENTS

Tuesday 16th October, 2001

Prayers	6
Oath of Allegiance	6
Obituaries	6
Announcement by the Speaker	9
Congratulatory Remarks	9
Minutes	13

Statement	13
Report from Select Committee	14
Questions	15
Motion	37
The Banana Restructuring Bill, 2001 (First, second and third readings)	37
Motions (Cotonou Partnership Agreement)	99
Adjournment	107

THE

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

PROCEEDINGS AND DEBATES OF THE EIGHT MEETING, FIRST SESSION OF THE SEVENTH PARLIAMENT OF SAINT VINCENT AND THE GRENADINES CONSTITUTED AS SET OUT IN SCHEDULE 2 TO THE SAINT VINCENT AND THE GRENADINES ORDER, 1979.

TWELFTH SITTING

16th October, 2001

HOUSE OF ASSEMBLY

The Honourable House of Assembly met at 10:10 a.m. in the Assembly Chamber, Court House, Kingstown.

PRAYERS

MR. SPEAKER IN THE CHAIR

Honourable Hendrick Alexander

Present

MEMBERS OF CABINET

Prime Minister, Minister of Finance, Planning,
Economic Development, Labour, Information,
Grenadines and Legal Affairs.

Dr. The Honourable Ralph Gonsalves

Member for North Central Windward

Attorney General
Honourable Judith Jones-Morgan

Minister of National Security, the Public Service
and Airport Development
Honourable Vincent Beache

Member for South Windward

Minister of Education, Youth and Sports
Honourable Michael Browne

Member for West St. George

Minister of Social Development, Co-operatives,
The Family, Gender and Ecclesiastical Affairs
Honourable Girlyn Miguel

Member for Marriaqua

Minister of Agriculture, Lands and Fisheries
Honourable Selmon Walters

Member for South Central
Windward

Minister of Health and the Environment
Honourable Dr. Douglas Slater

Member for South Leeward

Minister of Telecommunications, Science
Technology and Industry
Honourable Dr. Jerrol Thompson

Member for North Leeward

Minister of Tourism and Culture
Honourable Rene Baptist

Member for West Kingstown

Minister of State in the Ministry
of Education, Youth and Sports
Honourable Clayton Burgin

Member for East St. George

Minister of State in the Ministry
of Agriculture, Lands and Fisheries
Honourable Montgomery Daniel

Member for North Windward

Minister of State in the Ministry
of Foreign Affairs, Commerce and Trade
Honourable Conrad Sayers

Member for Central Kingstown

Minister of Transport, Works and Housing
Honourable Julian Francis

Government Senator

OTHER MEMBERS OF THE HOUSE

Honourable Arnhim Eustace	Member for East Kingstown/ Leader of the Opposition
Dr. the Honourable Godwin Friday	Member for Northern Grenadines
Honourable Terrance Ollivierre	Member for Southern Grenadines
Honourable Juliet George	Government Senator
Honourable Andrea Young	Government Senator/Deputy Speaker
Honourable Gerard Shallow	Opposition Senator
Honourable Major St. Claire Leacock	Opposition Senator

ABSENT

Deputy Prime Minister, Minister of Foreign Affairs, Commerce and Trade. Honourable Louis Straker	Member for Central Leeward
Honourable Edwin Snagg	Government Senator, Parliamentary Prime Minister's Office, Special Responsibility for Labour and Grenadines Affairs

SAINT VINCENT AND THE GRENADINES

HOUSE OF ASSEMBLY

TUESDAY 16TH OCTOBER 2001

PRAYERS

Mr. Speaker read the Prayers of the House.

OATH OF ALLEGIANCE

Honourable Senator St. Claire Leacock took the Oath of Allegiance.

OBITUARIES

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members I would like to place on record the profound sadness of this Honourable House. And I believe I speak for both sides of the House concerning the untimely passing of a former Member of the House of Assembly, Michael Hamlett. This is the first occasion Mr. Speaker, that this House is in regular session since the death of our beloved brother, comrade and former parliamentarian. Last month we had a meeting of the House but it was of a formal nature with His Excellency the Premier of the Republic of China, and we thought that it would have been inappropriate to have at that time obituaries even for a former distinguished member. I do not intend to be long today, Mr. Speaker since I spoke extensively at the funeral in a eulogy which has been published, and which perhaps at an appropriate time be made a document of the House. Perhaps we can do so or perhaps at a subsequent occasion.

Michael Hamlett from a very young age had taken an interest in public life but this did not prevent him, whilst taking an interest in public life to be a sportsman, to be very much involved in culture and in music, and in other activities which the youths tend to excel at. I make that point Mr. Speaker because there is a tendency in some quarters to believe that politics is not for young people, that the life of the youth is supposed to be fun loving and politics is a serious business which can wait until later. Well Michael Hamlett indicated the falsity of that proposition, and I believe that it is generally acknowledged to be a false idea.

He was in this House for a short period of time, and he was the spokesperson for the Unity Labour Party (then in Opposition) in the areas of tourism, youth, sports and

culture. And I think the Hansard is replete with magnificent speeches by Michael Hamlett. He contested the East Kingstown Constituency on three occasions. On two of those occasions against the Honourable Leader of the Opposition now, lost narrowly in 1988 by 27 votes I believe, and in the year 2001 by 40 votes. It must be remembered that he was then running against his sitting Prime Minister, and when you come within 40 votes of a sitting Prime Minister, you can chalk that up as a fantastic performance.

Michael Hamlett has distinguished himself in business at the bank and in an executive position. He was a lively personality, full of laughter, but a wise and humble human being stuffed with wisdom beyond these years. I know that his mother and father have missed him dearly, and so do we. But like his parents and his family, we have come to accept the fact that the good Lord knows best, and there are certain things which we cannot quite comprehend why someone should be taken away from us in their youthful prime.

Michael Hamlett lives in me, and I hope my own contribution henceforth would be a tribute to him. As it is, I hope that how I conduct myself will be a tribute to my father who died not too long before Michael Hamlett. And to Rosie Douglas whose birthday was yesterday. He is now 60 years old. They all live in me and I hope the ideals that prompted them all, and in this case, Michael Hamlett would be strengthened in my utterances and in my actions. May his soul rest in peace.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, Honourable Members, I too would like, on behalf of this side of the House to say a word or two concerning the passing of Michael Hamlett.

Mr. Speaker I believe that probably more than anyone else in this House, I had an association with Michael Hamlett. This association stems not only from the realm of politics, but out of the realm of close family friendships dating back prior to his birth. In fact, his parents and my parents, former Senator Mrs. Margaret Cato, and other members of the family were indeed a very close-knit group. As early as I can remember Mr. Speaker, our families, particularly on August Monday, always picnicked together when I was just a tot, even before my colleague was born. And when he came on the scene he was a further addition to the list of persons who normally attended those family picnics. But I knew him for a very long time, and his parents also for a very long time. And indeed, although we had a few days notice of his illness, it is fair to say that we did not expect him to pass on, but such is the will of Almighty God. And he has gone Mr. Speaker, hopefully, to a better place.

Mr. Speaker, as is known, I contested Elections in East Kingstown against Michael on two occasions. And on both occasions he was a hard campaigner. He never gave up, always on the move and always trying to ensure that he emerged victorious.

However, that was not to be. But Mr. Speaker, I want to refer to a statement by the Honourable Prime Minister with respect of the participation of youth in our politics. And I agree Mr. Speaker, that there are certain views which we have in our society and certain actions that we ourselves as politicians take sometimes which militate against young persons entering the political arena. And I hope Mr. Speaker, that our population recognises that persons like Michael Hamlett had played that role from a very young age and it would be good if many more of our young people could participate at the level at which he had participated. This is a very serious matter Mr. Speaker as we move into more and more difficult times we need to ensure that the young people in our nation, particularly those who are undergoing training of all types feel comfortable in participating in the political process. I want to say Mr. Speaker that I saw, and I felt the grief of Mr. And Mrs. Hamlett. They have lost their only son and their youngest child. And that is not an easy thing to do Mr. Speaker. It surely is not easy for parents to bury their youngest. But they have exhibited Mr. Speaker, that faith and trust in Almighty God, which is of absolute importance if one is to weather the storm – those storms of grief. And I am sure that over the next month while they will feel the pangs of grief. But as is so often said, very often indeed Mr. Speaker, joy will come in the morning. May he rest in peace?

DR. THE HONOURABLE GODWIN FRIDAY: Thank you Mr. Speaker. I rise to add my voice to that of the Honourable Prime Minister and the Honourable Leader of the Opposition to express the sense of loss that I too feel for the passing of Michael Hamlett. Michael and I went to Grammar School together. I remember him as a young man with an upright bearing. I picture him often with a hand in his pocket entering the classroom. Not long before he passed away I ran into him in a local establishment and he reminded me in a brief conversation about some of the times we had when we attended Grammar School together and he said he had come across some old photograph and he thought he had recognised me in one of them. I was looking forward to seeing those photographs. I was also looking forward to working with Michael and to work against him, but our ways for him and for myself in the interest of our country. I echo the sentiments expressed by the Honourable Leader of the Opposition and the Honourable Prime Minister in acknowledging the contribution that he made as a young man and in expressing my deep appreciation and respect for the effort he made in stepping forward at an early age in making his very public contribution to his country. Although his passing cut short a very promising life, his contribution will be acknowledged by a grateful country and it is sad that he has passed away. Thank you Mr. Speaker.

HONOURABLE MR. SPEAKER: Before we do the congratulatory remarks, I think this is a good time for me to acknowledge the presence of students from the Barrouallie Secondary and I think Emmanuel High School, here present in Parliament this morning. I trust that what you would have observed would serve you in good stead. Please feel welcome. Thank you.

CONGRATULATORY REMARKS

HONOURABLE RENE BAPTISTE: Mr. Speaker, I rise this morning and it is a very joyous occasion for me to congratulate the newly appointed Governors-General Deputy, Mrs. Monica Dacon. Once again a woman of stature and substance in St. Vincent and the Grenadines has been recognised by this administration, by placing her in such a very high Office. Mrs. Dacon is well known to many of us who attended the Girl's High School. And perhaps in this 90th Anniversary year it is something that the ones who have entered this year would remember when it is the 100th Anniversary and the 120. She will mark a new page in the history of this country because in the political life, for the first time a woman will hold that Office here. One would remember Sir Eric Gairy of memory past, had appointed a lady to be Governor-General in Grenada. But it marks even more than that, and particularly for the young ladies who are sitting in the Gallery. Mrs. Dacon was the Mistress at the Girls' High School, and when I attended the Girls' High School from 1964 to 1969 Mrs. Dacon was the Mistress there and we often as young girls would choose which one of the Mistresses we would like to be like when we grow up. And depending on what period you had, you would want to be Mrs. Keizer and the following day, when Mrs. Dacon is coming to teach English, you want to be Mrs. Dacon – a striking woman, upright of bearing and stature. She never dragged, she stepped and glided when she walk. A woman of dignity and strong bearing; and that is the role model of a Mistress of the Girls' High School. She never raised her voice but you can always tell whenever she was annoyed or if you did something to displease her. You just had to look at her shoulders; they carry a distinctive stiffness whenever you did something that was not correct or proper. If she had to correct a student it was done with so much love and understanding, that a student didn't feel awkward or ashamed, but rather they felt, here was someone who is a mother who loved and understood their pain and who was willing to correct them in a proper manner, not to let them be ashamed in the whole class, not to make them feel any less because they did not come from the same social ranking or position in society. Her husband I new very well. He was a member of this House and who also sat in the walls of Government House at Montrose – St. C. Dacon; very quiet, very unassuming looking. And I remember him as the Head Master at the

Bishop's College, and I remember him in the Councils of the former St. Vincent and the Grenadines Labour Party. She was always there by his side. But despite all of this she had, and still has; when I look at the words because I wasn't here when she took her oath of Office, a great sense of humour. But you had to know her very well to evoke that humour out of her breast. Mrs. Dacon and her husband and five children, and it is very important to notice the life and times of these people that so many young people here wouldn't know anything about. And this morning when we came to this House we had to be introduced because some of the young people didn't know who the members of Parliament were. In my year when we were growing up we had to know that from eleven plus, and it wasn't Common Entrance then. We had to know every Member of Parliament by face and by name, and even when you left eleven plus class and you are in High School you had to know all the Mistresses; you had to know all the Government Ministers. Respect, dignity and honour were the hallmark. These days we noticed a little trend that is creeping into our society to be disrespectful and dishonourable to Members of this House, and to older people in the society.

I would like therefore, that all of us in this country would bear in mind the contributions made by people like the former Member St. Clair Dacon and Mrs. Monica Dacon at the Girls' High School. I even remember when she was a left-handed shooter when she used to play netball. I remembered all of that about Mrs. Dacon. So she was someone who has played the games among the children and among her peers, and she is someone who is in the Guide Movement and a mother, a wife, a teacher, a Vincentian, an honourable Member of our emerging Caribbean Civilisation. Congratulations to Mrs. Dacon and family.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, I too would like to offer my congratulations to the new Governor's-General Deputy, Mrs. Monica Dacon. On hearing of her appointment, I contacted her at her home and indicated my pleasure at her appointment. As usual in her very quiet manner she expressed her appreciation. However, my relationship with Mrs. Dacon is one in recent years of both of us holding the same positions in the Calliaqua Methodist Church. Both of us are congregational stewards in that church, and we share the duties on a rotating basis in that church. And as faith would have it Mr. Speaker, it was my duty last Sunday as Steward to offer congratulations on behalf of the congregation of that church to Mrs. Dacon, a lady for whom I have, Mr. Speaker, the highest respect. A lady, Mr. Speaker, and I used the word lady in the truest sense of the word; a lady of great dignity, a lady of humility, a trait that is often lacking in today's world. But Monica Dacon is such a lady, and well deserving of the elevation that she has just received. After the congratulations in our church as is her way, Mrs. Dacon went to the pulpit to say thank you. And it was the first time that I saw any expression of deep emotion on her part. For a brief while she

was stump for words, which is very rare in the case of Monica Dacon. She plays a very significant role in that church, not only as congregational steward. She is involved in the Education Committee of the Church. She is also involved in the Sunday school and in fact makes a really great contribution. We know of her contribution to education in this country, and the Honourable Minister had already referred to that. I would just like to endorse what she has said in that regard. But surely Mr. Speaker, Mrs. Dacon appointment is something which I am sure that all women in St. Vincent and indeed the population of St. Vincent is very appreciative. I wish her well as she carries out her duties.

Mr. Speaker, I would like also at this point in time to take the opportunity to express congratulations to the newly appointed Senator St. Claire Leacock who took the Oath of Office here this morning. I am satisfied Mr. Speaker that Mr. Leacock will bring to this House is experience, not only in the academics sense but his business experience in the service of the people of St. Vincent and the Grenadines. Indeed as you know, until recently he was Human Resources Manager at VINLEC and the services were terminated. Today he offers his services in a different and higher capacity Mr. Speaker, and I am sure that our country, our people will benefit from his participation in this Honourable House. I sincerely wish him well and I look forward to his contribution in the various debates that we hold in this, the highest body in the land, so my congratulations once again. Thank you, Mr. Speaker.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, I would like to join the Honourable Minister of Tourism and Culture and the Honourable Leader of the Opposition in extending most profound congratulations to Mrs. Monica Jesse Dacon on her appointment as Governor-General Deputy, and as is well known, she acted for a short while when Sir Charles went off to Grenada to a meeting of Caribbean Governors-General or Caribbean Heads of States. I think the point which both the Minister of Tourism and Culture made, and that of the Leader of the Opposition should be reinforced; that is the very high quality of this appointment. And I am very pleased that the Leader of the Opposition has in Parliament endorsed so fulsomely this appointment as should be the case in matters relating to appointments to the Heads of State or their Deputy.

I believe that the appointment has been very well received throughout the country. And the Leader of the Opposition was gracious enough to have indicated to me personally that he thought that it was an excellent appointment. I have already been on record on the day when Mrs. Dacon was sworn in as Governor-General Deputy, and therefore I do not intend to be lengthy on that subject today because that is a matter of record reported in the Press and on the airwaves.

I want to join the Leader of the Opposition in congratulating my friend St. Claire Leacock, the Senator. I think he would be my friend even more than normal because it was my involvement in having his immediate predecessor withdraw from the post of Senator so that he can come in so to speak, via the back door. And I am sure he appreciates my kindness in this regard. Indeed though he doesn't know it, I suggested to a number of persons in the New Democratic Party since it appears as though it is Mr. Lynch and Ralph Gonsalves who essentially controls the NDP these days, that I suggested to many persons that the individual who should succeed would be St. Clair Leacock and that I would be disappointed if he was not put into the job. The name of a woman was canvassed. I say yes, but that was only an attempt to seek gender balance and I didn't think that in itself ought to be the criterion. And I surveyed the very sparse barrel, and the only name frankly I could come up with was St. Clair Leacock. And I relayed that to many persons who make decisions in the NDP and it eventually got back to the Leader of the Opposition. And I am very glad to see though a process of political osmosis that he has arrived here where he had always wanted to be, because it is well known, and there is nothing wrong about this. He has been a frustrated politician, and his frustration would no doubt rise more as he has a taste in the House when he fails to become the candidate for West St. George. And if per chance he becomes when he is defeated as his two predecessors have been defeated by the Honourable Michael Browne, God's willing. So it is within that spirit that I welcomed a man of very humble beginnings who by virtue of his God-given abilities, his intellect, his discipline that he has been considered worthy by his peers to join the Legislature of this country, and I truly welcome you as Leader of the House. I am sure that you would, maybe today, maybe some time before the end of this first day of sitting, you may get your baptism of fire, because you get redemption in politics when you are baptized by fire, to go to the celestial palace above us you get baptism by water.

I want on behalf of the Government, and of the Unity Labour Party sincerely to congratulate you my brother, and I am sure that your contribution to this Honourable House would be worthwhile.

HONOURABLE JULIAN FRANCIS: Mr. Speaker, it would be remiss of me if I did not, (and I see the Honourable Senator is wagging his finger at me already), join in the congratulatory remarks on the entrance of Major St. Claire Leacock as a Senator to this Parliament. St. Claire and I although on the political divide; we have been friend for many, many years. In fact we entered and left Grammar School the same time, I think just a few months his senior and has displayed that all along the root of our friendship including the entrance to this Honourable Parliament. The circumstances surrounding the entrance of the Honourable Senator St. Claire Leacock to the House have already been expounded by the Prime Minister and I would not pour salt to the

wound, but I would say that my entrance to the House was based on the victory of the Unity Labour Party and his entrance to the House was based on the defeat - double whammy of the NDP Government. But I want to welcome him. Our years in Grammar School have been very enjoyable. We opposed each other on the political rostrum, on the radios on talk shows and the television shows, but we have always maintain the level of respect for each other and a friendship that existed among our peers throughout the years in Grammar School. The legacies of our five years in Grammar School would be too much for the records of this House, (and I see that he is bowing in acquiescence) that I should never and not ever mention some of those good things that we were up to in the five years in Grammar School. But St. Claire, Honourable Mr. Leacock, Senator, I would love to welcome you to this House with an open heart and open hands and as the Prime Minister said, I have no doubt that your baptism of fire would be sooner rather than later. Thank you.

MINUTES

The Minutes of the Sittings held on 14th and 15th August and 6th September which had previously been circulated were taken as read and confirmed.

STATEMENT BY MINISTERS

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, if I may briefly speak on two matters. The first, as the entire country knows Mr. Speaker on October 11, I gave an address to this nation entitled the Economic Stabilizations Consolidation Recovery And Renewal In A New Period – Economic Measures in the Aftermath of the Terrorist Attacks in the USA on September 11th 2001. I made that address outside of Parliament, not out of disrespect of the Parliament but because an opportunity presented itself in particular circumstances, and the speech was broadcast live on three Radio Stations and subsequently on television. And I have been advised that every Member of the House has received a copy of the speech from the Office of the Prime Minister. And what I would like to do Mr. Speaker is to lay this document in the House so that the respect for our parliament is completed with that particular Act.

Mr. Speaker, there is one matter briefly otherwise. I would like to draw formally to the attention of the House that a Member of CARICOM – Belize was hit by hurricane Iris, a category four hurricane between 1900 hours and 2000 hours on Monday October 8th 2001. Maximum sustained winds reached 145 miles per hour with high-localized gusts. The areas of South Stand Creek and Punta Gorda received extensive damages. South Stand Creek and the Toledo Districts have been declared disaster areas. A preliminary

estimate on the damage done by hurricane Iris (and this preliminary estimate was done on Tuesday October 9th), indicates that 12000 to 13000 persons are homeless, roads are inaccessible, all crops have been destroyed, the banana industry have been decimated and shrimp farms have been destroyed in those areas. The Government of Belize has prioritized its appeal as follows: shelter, tents, food, water, blankets, clothing, sanitation, generators, lamps, flashlight, batteries, building materials and construction supplies. I want to say Mr. Speaker, that the Government of Saint Vincent and the Grenadines has been in touch with the Government of Belize, and we will be following up.

Mr. Speaker, as is well known, I was invited by the Government and people of Belize through the Prime Minister, the Honourable Said Musa to deliver the feature address at their Independence celebrations recently. And I was very honoured to do so on behalf of the people of St. Vincent and the Grenadines and indeed on behalf of the rest of CARICOM. We are very close to Belize because as it is well known, the Garifuna people in Belize see St. Vincent and the Grenadines as their ancestral homeland. And I am urging the various agencies-the private sectors to see if they can co-ordinate through the Ministry of Foreign Affairs and attempt to assist Belize as much as possible in this difficult period. And I think it is a matter of sufficient importance to bring it to the attention of this Honourable House. In this matter I believe I speak for the Opposition in the sentiments, which I have expressed. I am obliged.

REPORTS FROM SELECT COMMITTEES

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, there is one report to be made from the Select Committee in respect of the Financial Intelligence Bill and the Proceeds of Crime and money laundering Bill. One meeting has been held so far of the Select Committee and another is scheduled for the 30th of this month.

Mr. Speaker, the first meeting discussed the broad policy framework of the Bills and settled certain matters of policy, and we had a very good discussion. The second and subsequent meetings of the Select Committee would address the Bills clause by clause.

I want to report to this Honourable House too that we have received a number of submissions from interested persons on these two Bills. And I am hopeful Mr. Speaker, that we would be able to move expeditiously to have these two very important pieces of legislation passed in this House when they emerge out of the Select Committee.

QUESTIONS FOR ORAL ANSWERS

1. *The Honourable Arnhim Eustace (Leader of the Opposition) asked the Honourable Prime Minister/ Minister of Finance to state the amount of funds in the investment portfolio of the NIS as at 31st December, 2000 and also at March 31st 2001.*

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, the amount of funds in the NIS investment portfolio as at December 31st 2001 stood at two hundred and nine million two hundred and nineteen thousand two hundred and two dollars. And as at the 31st of March (which as you know it is the time when we assumed Office) stood at two hundred and three million one hundred and fifty five thousand eight hundred and twenty dollars. I should explain Mr. Speaker that in March 2001 the National Insurance Scheme bought their property at the Arrowroot Association for \$13.7 million so that if anyone is listening and see a diminution in the Investment Portfolio, and they have a question to pose, it would not be answered in the way in which I know some people would want to answer it. (You mean to say that they in power for two days and they take away \$3 million from the Investment Portfolio of the National Insurance Scheme?)

I want to make that point because the mischief and a tendency to parade inaccuracies have become the past time of the uncultured who unfortunately have risen to positions of influence.

2. *The Honourable Arnhim Eustace (Leader of the Opposition) asked the Honourable Prime Minister/ Finance to state:*

(a) the total disbursement for the 2001 capital budget as at 30th September, 2001;

(b) the projected disbursement to year end.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, the figures provided to me by the officials in the Ministry of Finance are as follows: Capital Expenditure as at September 30, 2001: \$26.47 million compared to last year which was an election year. Last year you had Capital expenditure up to the same period of \$20.4 million. So we are having this year an increase of \$6 million of the Capital Expenditure for the same period.

Mr. Speaker, it is anticipated that the projected disbursement to the year-end would be \$50 million; in fact the figure given to me is \$49.7 million. I want to say Mr. Speaker, that though the performance this year up to this point is better than last year, it is important for us to appreciate that this is still nowhere near as good enough. And among the reasons why our Government has not been able to do better on the capital

side, even though we have done better up to this point than last year is because we inherited a terrible situation. We inherited a substantial deficit on the current account and an overall deficit. And as the Leader of the Opposition knows, there was a short fall in collection of revenues last year by some \$27 million. So there was no money in the kitty, when we arrived in Government, from savings to put to the capital budget.

Secondly, monies which were earmarked in the budget for projects to be carried out by loans, specifically what remained – \$33 million, but we had to raise \$50 million because that was what was put into the budget. When I arrived at the Office of the Ministry of Finance there were negotiations going on between the then Minister of Finance and Prime Minister and the Royal Merchant Bank. And from the correspondence and notations it appeared as though the then Government was going to borrow \$20 million at an effective interest rate at 11.3%. I refused to borrow money at that rate at this particular point in time. And I carried on the negotiations and we got the money at 9%, but we had to source the money on the capital market in Barbados where the interest rate is lower. The Honourable Senator Leacock would appreciate this, being a man who has some familiarity with finance. And of course, I was able to do so very promptly because of the groundwork which had been laid with Prime Minister Owen Arthur prior to the March election, which relation of course I received some chastisement. And then I proceeded to raise the other \$30 million, which we did through CIBC West Indies Limited at 9%. And then those measures had to be brought to Parliament because to raise \$50 million at the rates of interest which we got, and on the terms which we got, you don't just get them easily, you have to negotiate for a period of time. And I think the country would concede that we did it swiftly because we were able to bring them to Parliament on July 19th for approval. Then, having brought them to Parliament on July 19th and had them passed you could not make any draw down until the bills were assented to and made into law – published into the Gazette. You had them published in the Gazette some time in August because anything that is passed here has to go between the Office of the Clerk of the House and the Office of the Attorney General, and then it has to go to the Printery which takes a little time. But we also acted expeditiously there. Then having had the money we then had to draw down. And when we drew down we had to pay out of the \$20 million monies for certain debts which had been incurred on the capital project, which the then Minister of Finance in his anxiety to try to prime the pump to help him to win the Election didn't have any money so I had to then turn around and take money which I borrowed to pay for debts incurred by his administration in trying to prime the pump to see if he can win the election. Of course it didn't work, as we all know. They failed miserably. Then Mr. Speaker, having then had the money we had to proceed to get the projects moving on, those for which we had money. And as you know in the Ministry of Works we met a Ministry with denuded capacity which we then had to proceed to go to Cuba in September to get the capacity, but I have been

criticized by the Leader of the Opposition for going to Cuba to get the capacity, to spend the money, to prepare the projects. And in the case of grants, there was nothing which had been settled though that grant monies were out there in some amorphous inchoate way. So even though up to now we have done better than last year, it is not good enough – decidedly not good enough. But I am telling you why better was not done even though we have done reasonably well under the circumstances.

I want to say Mr. Speaker, further, by way of example, phases two and three of the road – the Murray Village Road Project. That is from the loan monies. And having done that we then had to proceed to sort out all the requisite arrangements to have the work being started. And I have been told that all the mobilization was done and there are people on the ground from yesterday, and I understand that actual physical work on these two phases will start some time later this week. Mr. Speaker, that is the long and short of the answer and I am very obliged that the Leader of the Opposition has asked the question.

SUPPLEMENTARY QUESTION

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, I am not sure that we are getting answers for questions rather than having debates. The Prime Minister spent a long time, tried to spend a long time, trying to give his reasons why he did not do as well as he should do and by rights I should say what my side of that story is because this is a question Mr. Speaker. He did not answer the question; he went on to explain why. I did not ask for any explanation. Anyhow I would do that in another forum Mr. Speaker.

Mr. Speaker, could the Honourable Prime Minister indicate what are the major projects that would account for the \$24 million to be disbursed between now and the end of the year.

DR. THE HONOURABLE RALPH GONSALVES: I do not have a complete list of the projects here Mr. Speaker. I have mentioned in my address a number of projects, which are in the pipeline, like for instance which have started or about to start. The 2.3 million Murray Village Road Rehabilitation, the Clinics of Biabou and Greggs; \$2.5 million, Road Rehabilitation Programme from South Rivers down to Old Road of approximately half a million dollars. The Computer Centre Meeting Hall at South Rivers about five hundred and forty thousand dollars. Renovation of Peace Memorial Hall: four hundred thousand. But I can provide for him a further list if he wishes. I have no problem with that because I am with an open and transparent Government.

3. *The Honourable Arnhim Eustace (Leader of the Opposition) asked the Honourable Prime Minister and Minister of Finance to please state whether the Offshore Finance Authority had voluntarily or otherwise restored, or been ordered to restore, or begun proceedings to restore the Offshore Banking license of any banks whose licenses had been revoked by the previous New Democratic Party's administration.*

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I will answer the question specifically and I would put the context which is very important for any answer to be given to be well understood because there is a feeling that when we were in Opposition Mr. Speaker, we did not get fulsome answers. I am giving fulsome answers because that is what the public wants and because it is right and proper. But when it suits the Leader of the Opposition if I may say so Mr. Speaker, he wants not to ask a question in a parliamentary sense but he wants to do a cross-examination in a forensic sense. But that is for the forum below. So I want simply to make that point Mr. Speaker.

The six banks that had their licenses revoked by the previous administration and in the case of two of these banks, the New Bank Limited and Nano and Sons that these two banks challenged the revocation of these licences. The banks, there were several legal challenges and the Authority sought to place someone to assume control of the two banks – that is the Authority on the previous administration. The banks appealed this action by the Authority to put someone in place to assume control of the two banks, and the High Court granted an injunction against the Authority and awarded cost to the two banks. In relation to the substantive actions by the banks for the revocation, the banks had had their licences revoked because they were requested by a letter dated the 22nd November 1999 pursuant to Section 13 of the International Banks Act 1996 to submit the following information. I state nine items:

1. Statements of assets and liabilities
2. Analysis of total loans classified by size and maturity
3. Report on large loans
4. Analysis of total loans classified by country and currency
5. Analysis of total deposits classified by size and maturity
6. Analysis of total deposits classified by country and currency
7. Report on large deposits
8. Analysis of total investments classified by type and currency and;
9. Reports on unsatisfactory assets.

The two banks challenged the right of the offshore authority to demand this particular information. They made two arguments. One - that section 13 of the International Banks Act did not demand what was asked for in the letter of the 22nd of November.

And in any event they were contending, the Offshore Financial Authority didn't have any authority to ask for anything under the 1996 Banks Act because the NDP had given them fifteen-year licences under the old Act, and that is the old Act which still governs them. In other words, they were claiming what is called in the Law a grandfather clause. We received legal advice that the banks would have succeeded in the action and they would have succeeded among other things because the Rules of Natural Justice were not observed. Indeed Mr. Speaker, they were not given an opportunity at all as required by the Rules of Natural Justice that if you are revoking the licence they should be informed that their licence would be revoked. That was not done at all. There were other reasons upon legal advice why the action would not have succeeded. Some of those reasons I don't want to speak about now. But suffice it to say the advice was from very eminent jurists, including a former Justice of our Supreme Court, that the banks would have won the action. So the Offshore Finance Authority through the Offshore Finance Inspector conducted discussions with the Counsel for the Banks said that if the information which was demanded on the 22nd was submitted, that consideration would be given for a restoration of the licences, and the information was supplied, according to my advice because I do not get involved in the micro-management of the Offshore Finance Authority. And a Consent Order on the 23rd of July 2001 was entered into the Court. And the first and relevant limb of that Order:

“It is hereby ordered that in view of the fact the Nano and Sons, 1146 Private Banker’s Limited - the bank had furnished to the Offshore Finance Authority of Saint Vincent and the Grenadines all of the information originally requested in the Authority’s letter of 22nd November 1999 to the bank, such information now being presented as at 30th of June The Authority immediately restore to the Bank the Clause 1 Banking Licence which was issued to the Bank on 24th June, 1996.

And the Authority shall immediately reinstate the Bank’s name to the Registrar of Banks in good standing in the State. The Licence Restoration ordered therefore shall be deemed effective as of the 30th of June 2001.”

A similar order was made in respect of New Bank. Mr. Speaker, I had made a public statement that there had been no document from the Offshore Finance Authority sent to me as Prime Minister indicating other than the Court Order that the Banking licence had been restored because there is a procedure on the Act which follows. I had received a letter dated 1st August from the Offshore Finance Inspector on the matter and I said I would like the Offshore Finance Authority to look at the Court Order and then the Offshore Finance Authority will formally communicate with me rather than the Order itself being transmitted to me. Because when I am examining my Authority under this Statute I do so in a judicial manner and I do so judiciously.

Mr. Speaker, Honourable Members, after the letter was sent on the 22nd of November 1999, there was an amendment to the International Banks Act on the 20th of July 2000 which was published on the 5th September 2000 which is substantially that all banks will supply the information which Mr. Lewis, the then Offshore Finance Inspector had requested of the banks on the 22nd of November. The situation now Mr. Speaker, is that all banks would be under the current legislation, those two licences having by Consent Order of the Court being determined, the information having been supplied.

I must say to this Honourable House, that the Offshore Finance Authority has requested through the Offshore Financial Inspector from the principals and lawyers for the two banks, that a collateral agreement or an amendment to the Court Order be entered out of an abundance of caution so that there could be no difficulties in the future at all, that it is understood that these two banks do not have a grandfather clause and they are operating in terms of the reportage under the 1996 Act as amended. And I have been informed that the lawyers and the principals have agreed that that is their understanding, and they will enter into such a collateral agreement or an amendment to the Court Order reflecting that abundance of caution proposition because they are saying it is a recognition that they have to supply the information why they supplied it in June of this year. I would say Mr. Speaker, so that we will get the total picture in relation to banks and the offshore sector, that on the 28th of March 2001 two international banking licences had been granted. The first licence was issued to SDB Swiss Trust Bank Limited on the 28th of July. This licence was previously approved by the then Minister of Finance, the Honourable Arnhim Eustace on the 26th of October, 2000 however, the licensee did not meet all the conditions of the approval of the licence until this year. And the second licence was issued to B. Bank International Limited on the 15th of August this year after being reviewed by the new Board of the Authority.

“The St. Vincent and the Grenadines Offshore Finance Authority has received five new applications for International Banking Licences since the 28th of March this year. These applications are at the varying stages of review as they did not contain all the information required by the Authority when they were first submitted. Three licences have been revoked by this administration. They belong to:

1. Balford Cabot Bank Limited which was associated with Mr. Phillip Mark Vaughn – the American who was deported from this country earlier this year.
2. Union Credit Bank Limited which could not be allowed to

continue to function after its Registered Agent and local Director had resigned.

3. Maxi Bank Limited which was given licences by the former Authorities at the Offshore Finance Authority."

(even though the licences never complied with the law in paying the required deposit into the National Commercial Bank.)

And these three Banks have been revoked. They were granted by the Authority under the previous administration. And you would notice that Maxie Bank was granted a licence even though they didn't pay the required deposit in the National Commercial Bank. One bank – The Capital Trust Bank Limited went into voluntary liquidation and surrendered its licence to the Authority, while another has indicated its intention to do so soon. There are now thirty-nine international banks licenced by the Offshore Finance Authority.

Mr. Speaker, it is well known that in the hundred days programme of the ULP, and I made this speech concerning that on Saturday 11th November last year.

"I give a solemn undertaking to enhance and promote a co-ordinated, regulatory framework with the Eastern Caribbean Central Bank upon taking Office. In keeping with that commitment the Offshore Finance Authority and the Eastern Caribbean Central Bank commended such an administrative arrangement in June this year. This agreement will be formally signed in St. Vincent and the Grenadines on the 29th October this year. This Agreement will be called the Memorandum of Understanding between the Finance Offshore Authority and the Eastern Caribbean Central Bank.

Under the administrative arrangement which has existed since June, both the ECCB and Finance Offshore Authority, they have been collaborating and under the Memorandum of Understanding will collaborate in the evaluation of applications for offshore banks licences and for ongoing supervision and regulations of existing offshore banks. Since the new administrative arrangements with the Eastern Caribbean Central Bank were put in place in June, no new licences have been approved as comprehensive checks are done regarding safety and soundness of the banks, as well as their prudential guidelines and anti-money laundering procedures."

With regard to the sixth licences as I have said which were revoked prior to June to have been restored through the consent order as I have indicated, and a clear

abundance of caution, collateral agreement or amendment to the existing consent order of the Court would be entered into.

Mr. Speaker, there are a number of substantive developments that have taken place in the Offshore Finance Sector. And these have been canvassed throughout this country and overseas. And I want to say that there is a level of political hygiene which has been brought into the Offshore Finance Industry and supervision through the new offshore finance authority which is unparalleled in the history of this country.

There is much more I can say about the operation of the Offshore Authority prior to the assumption of Office by this new Government. There is much more I can say about the operation of the Offshore Finance Authority prior to when the Leader of the Opposition was in Office as Minister of Finance. I will leave those for another time when persons challenge me about certain things and I am required by duty to speak the absolute truth. That is in a nutshell Mr. Speaker, the answer to the question asked.

SUPPLEMENTARY QUESTION

HONOURABLE ARHHIM EUSTACE: Having had that nutshell answer I just want to request of the Honourable Prime Minister to indicate that now that the licences have been revoked for New Bank and for Nano and Sons, whether these banks have recommenced operations, and if so when.

DR. THE HONOURABLE RALPH GONSAVES: I have not been advised as to whether they have resumed operations, but I can find that out, and not even inform you, but make a public statement on the matter.

4. *The Honourable Godwin Friday (Northern Grenadines) asked the Honourable Deputy Prime Minister and Minister of Foreign Affairs to give a breakdown of all the costs associated with the establishment of the office and residence of the newly appointed Permanent Representative to the United Nations.*

HONOURABLE CONRAD SAYERS FOR HONOURABLE LOUIS STRAKER: Mr. Speaker Honourable Members, in the absence of the Honourable Deputy Prime Minister and Minister of Foreign Affairs, Commerce and Trade who is overseas on official duty I as Minister of State who essentially performed that portfolio currently, will provide the answer requested of the Member for Northern Grenadines.

Mr. Speaker, the Office of the Permanent Representative of the United Nations is not a new establishment. Indeed, this Office was established since 1981. The costs to be

met for the Permanent Representative of the United Nations are as follows: They will be provided under:

- (a) Salaries
- (b) Residence
- (c) Furniture
- (d) Warm clothing
- (e) Airfare
- (f) Hotel Accommodations

Salary Mr. Speaker. The funds budgeted for salary and allowances to the former Permanent Representative Mr. Dennie Wilson would be used to meet the salary and allowances to the new appointee. They are payable as follows: Salary, four thousand four hundred and eighty-two dollars per month, Foreign Service allowance, five thousand dollars per month; Entertainment allowances five hundred and fifty dollars per month; Household allowance, three thousand six hundred and twenty dollars per month and child allowance six hundred and seventy-five dollars per month; making it a total Mr. Speaker of fourteen thousand seven hundred and twenty seven dollars per month for salaries.

Residence. There was no official residence for the Permanent Representative. The former Officer occupied his own House and a housing allowance was approved in the sum of two thousand two hundred and twenty dollars per month in lieu of rent- free quarters. A residence has been leased for a period of two years with effect from the 1st September 2001 to 31st August 2003 at a rate of four thousand four hundred fifty dollars per month; a deposit of sixteen thousand four hundred and sixty dollars was made as follows: The first month's rent, four thousand four hundred and fifty dollars for September 2001; the last month's rent, four thousand four hundred and fifty dollars for August 2003, and a brokerage fee of seven thousand five hundred and sixty dollars.

Mrs. Ferrari paid the depository sum from her personal funds and is to be refunded. Furniture and equipment had to be procured for the furnishing of the newly leased quarters. A sum of eighty-three thousand six hundred and eighty-nine dollars EC, equivalent of thirty thousand, eight hundred and three point one two dollars US has been approved and remitted for furniture and equipment. Mrs. Ferrari has paid this from her personal funds and is to be refunded.

Warm clothing. As is the usual case with Officers posted overseas Mr. Speaker, a warm clothing allowance – a one-off payment of two thousand dollars has been approved for Mrs. Ferrari, and this sum has not yet been paid.

Airfare. Airfare in the sum of one thousand six hundred and eighty-nine point zero two EC is payable to Service Link for travel to the U.S.A in August and an official visit to locate a residence for the visit of the Officer. And this is in view so that she can put certain things in place for formal assumption of duties. A sum of five thousand nine hundred and five point two zero dollars has also been paid by the Ministry of Finance for the travel of Mrs. Ferrari and her daughter to travel to the United States.

The official took up duties in September and a total of seven thousand five hundred and ninety-four point twenty two dollars have been paid for that particular commitment.

Hotel Accommodations. Whilst on official duties in August, the sum of four thousand six hundred and ninety-four point six five dollars is payable for hotel accommodation for twelve nights. Mrs. Ferrari has paid the sum from her personal funds and is to be refunded.

I am much obliged Mr. Speaker. Thank you.

SUPPLEMENTARY QUESTION

DR. THE HONOURABLE GODWIN FRIDAY: Whether the current location of the Office is in the same building that it was when Ambassador Dennie was there, and whether the rent that is being paid currently is for that new building, if there is such a new Office.

HONOURABLE CONRAD SAYERS: Mr. Speaker, the Permanent Representative to the United Nation is renting new quarters.

DR. THE HONOURABLE RALPH GONSALVES: The Permanent Representative is in fact renting new quarters in respect of her accommodation as was indicated in the very fulsome, thorough answer given by the Minister of State in the Ministry of Foreign Affairs. There is the existing Office or the Office that existed hitherto for the Permanent Representative; that will be for the Consul General and the Tourism Office. And there is rented office space which will be had in a building. And I think that is perhaps what the Member for the Northern Grenadines is asking. What is also happening is that the Consul General is holding for the first time Consular Services in Brooklyn and you would notice that that was advertised in one of the local newspapers for the first time, so that the people in Brooklyn, which is the largest Vincentian city in the World, would be able to have the consular services.

I want to say further Mr. Speaker. In as much as all these matters have arisen and that the Honourable Member for the Northern Grenadines has shown quite correctly the great interest in what is happening overseas to the various buildings I will make a statement in public, whether in this Parliament or elsewhere about the status of all the other buildings, including a building in Dallas, Texas for which the Government of St. Vincent and Grenadines paid upwards of six hundred thousand dollars, but for which Diane Williams, the Tourism Representative who was dismissed, is now claiming she owes in equal shares with the Government of St. Vincent and the Grenadines. The Deed had never been shown to anybody hitherto. And she is now claiming equal shares in that building – a claim which is utterly without merit. And that matter is being addressed legally in the United States of America. And the country will hear much more about it, and certainly the Member for the Northern Grenadines.

5. *The Honourable Terrence Ollivierre (Southern Grenadines) asked the Honourable Minister of Transport and Works to please state:*

a. the salary of the individual with responsibility for procurement under the school repairs and maintenance project.

b. The funding source of the salary.

HONOURABLE JULIAN FRANCIS: Mr. Speaker, the Leader of the Opposition said we must answer quickly, but I am saying figures with no words mean nothing. It is like when you write a cheque, if you just put figures in a cheque and you don't put the words after it, it is null and void. So you have to put some words to the figures, Mr. Speaker.

The questions that are sent to this Honourable House still lack in the understanding and meaning of the opposition politics.

Mr. Speaker, this question is absolutely, and I will say very clearly in this House that it is a plant by someone who is intimately involved in the school repairs and maintenance programme. The matter of the source of the payment of the procurement Officer was only last week finalized and authorized unknown to their source in the Ministry. And I deliberately withheld the authorization because I suspected something was going on. You see, Mr. Speaker, when this project was written and approved there was no procurement Officer mentioned, but at the planning stage of implementation it was quite clear for the project to be successful, such an Officer was necessary.

Mr. Speaker we had seventy-one schools and seventy-one estimates and details on these estimates including thousands of different items to be priced, sourced, supplied.

With the technical persons in the Ministry being involved in the estimates, I wanted to have somebody else collating the estimates and ordering the materials – hence the necessity for including a procurement Officer. So in the original project there was no salary identified for him, Mr. Speaker, but in these projects we know that there is always an amount called contingency. And this is why this sum is put into projects Mr. Speaker – contingency sums. So that there are times when you might overlook something on implementation or while you are actually carrying out the project you will go into the Contingency Fund.

Mr. Speaker, this is the third consecutive meeting of the House of Assembly that the Opposition is raising questions on the School Repairs Programme. And I understand their interest in the programme Mr. Speaker, because while they were in Government Mr. Speaker, they did not possess the skill with which to implement these sorts of programmes. So when they see something like this happen Mr. Speaker, I know they are over awed by the magic with which we carried out this programme.

The Informant Mr. Speaker, (and I want to stress on this because I want to send the message loud and clear to those out there), will be informed in the House today the source of the payment, but she still will be intimately involved in the project 'together now'. The Honourable Member for Southern Grenadines can rest assured that his constituent will not be victimised as one done under their administration, because there is absolutely nothing to hide about the business of this Government, and in particular the business of the Ministry of Transport, Works and Housing. You want the figure? Here is the figure now. I done give you the words; I am giving you the figures now. The procurement Officer was employed for three months at three thousand dollars a month. And there is no magic or mystery Mr. Speaker as to where the money came from to pay him. It was paid out of the project – the Labour Intensive Emergency Schools Maintenance Repairs Programme. It is simply that.

6. *The Honourable Terrence Ollivierre (Southern Grenadines) asked the Honourable Minister of Transport and Works to state:*

- a. *the number of gallons of paint ordered for the school repair and maintenance project*
- b. *the number of local suppliers involved and the amount allocated to each such supplier*

HONOURABLE JULIAN FRANCIS: Mr. Speaker, I told you how they are so enchanted about this school repairs programme.

Mr. Speaker, again I am not just going to give figures. I am going to elaborate a little bit on this painting project because we have to understand that we had a programme here which was implemented over a six weeks period, unprecedented Mr. Speaker, during which, this administration was successful in spending almost \$5 million in six weeks in school repairs programme. And I will give you the exact figure Mr. Speaker, when I speak of the report during the answer of this question.

Mr. Speaker when we took on the job and we got the procurement Officer in place, I had the procurement Officer call every single supplier of paints in town. There was already a colour scheme for the schools. This colour scheme came about since the previous administration. The colours were green, blue, yellow or gold. Where they could not find the yellow, they used the gold. The colours were aspen meadow green – a luna green, sunlight was the yellow and continental blue was the blue. So when the procurement Officer was searching Mr. Speaker, he was searching for these specific colours. There were some suppliers in town who indicated that they do not have sufficient in stock. And Mr. Speaker, one of the major promises we made to the people repairing these schools Mr. Speaker, was that we will get an excellent paint job preparing the physical looks of the school. In addition to that, we agreed that we will supply and make corrections to all the plumbing problems that existed in the past. So that the procurement Officer knew from the beginning that we were going to have a problem and he asked the suppliers to indicate to him how soon they can supply. Some suppliers indicated way down in September – some six to eight weeks. We could not operate at that level, so we went with the suppliers who could supply the paint within a very short space of time and to fit the work programme.

Mr. Speaker, eight thousand six hundred and forty eight gallons of paint was used in the schools. Schools like North Union and New Grounds, C. W. Prescod, Adelphi, Kingstown Anglican and the Annexe, these individual schools Mr. Speaker took over three hundred gallons each. Girls High School, Campden Park, South Rivers over two hundred gallons each; Bequia, Dubois, Calliaqua, Cane End, Diamond, Georgetown, Gomea, Lauders, Lodge Village, Marriaqua, Overland, Paget Farm, Richmond Hill; each of these schools took over one hundred and fifty gallons to repaint Mr. Speaker and others of varying amounts.

Mr. Speaker, the paints were ordered from five suppliers and they ranked as follows: one supplier supplied four thousand four hundred seventy-five gallons; one supplier supplied three thousand four hundred and forty-one gallons, and the other three suppliers four hundred and thirty seven gallons, three hundred and two gallons and nine gallons respectively.

Mr. Speaker, I know that these figures sound very large, but you see we have never been accustomed to this sort of project. I remember when Mr. Callaguri – the Head of the European Union came here and was having audience with the Prime Minister, in a little chitchat we had he asked me, Minister Francis you really think you can do this programme in six weeks? I said, Sir, I guarantee you that I will have this programme done in six weeks, and I guarantee you that you will have to find more money for me because I can do more work than you think I can do in six weeks. So said, so done Mr. Speaker.

But Mr. Speaker, I want to take the opportunity to publicly thank the members of my staff because maybe today is the last day that we will have a question on the schools repair programme.

Mr. Speaker, I want to publicly thank the staff that I have put in place there. The Projects Officer – Mr. Cornelius Ollivierre, a very practical man of affairs, without whom I don't think this project, would have been done on time.

Mr. Speaker, there were four supervisors authorised under the project – directly involved in the project; Mr. Ralph Pope, Mr. Calvert Gill, Mr. George Delecia and Mr. Samuel Pope who worked extensive overtime to make sure this project was complete. And within the Ministry of Works Mr. Speaker, in the Buildings Division, which is headed by no lesser person than my brother Elroy Francis, there were other supervisors who had to get involved for us to ensure that this thing was done in the six weeks period. And Mr. Speaker, there was not a single problem on the 3rd September when schools re-opened. All the schools were completed on September 3rd. And I like to say it because I like to see the smile on the Leader of the Opposition's face every time I say it. The other members were Carlton Mofford, Conliffe Haywood, Joseph Brackin, Ashley John, Elliot Millington and Vincent Buntin along with Mr. Clayton Browne.

Mr. Speaker, there is one other aspect of this thing I would like to touch before I leave, and that is. You will recall in my short presentation I mentioned Mr. Speaker, that the colour scheme was selected by the previous administration. And you would recall Mr. Speaker, when I gave my information in the initial stages of this project when I was outlining the implementation plan, I appealed to the people in the societies and the villages to call me if persons were removing materials and so on from the site and if they saw anything shady going on. I did receive some calls Mr. Speaker, but one that stood out in my mind was a question that was asked by a lady, I cannot remember where she is from. She said, "Mr. Minister, how come the NDP building has the same colour scheme like the schools?" So I want to leave the question with the Opposition today. This colour scheme was implemented prior to the

Elections 2001, how come the NDP building has the same colour schemes of the schools? Thank you Mr. Speaker.

7. *The Honourable Gerard Shallow (Opposition Senator) asked the Honourable Minister of Social Development, Co-operatives, the Family, Gender and Ecclesiastical Affairs to please state what specific plans does the Government have to deal with the ever increasing number of street children, who are the subject of widespread abuse.*

HONOURABLE GIRLYN MIGUEL: Mr. Speaker, Honourable Members, children's issues and in particular the issue of street children are of paramount importance to the Ministry of Social Development and this Government. The abuse and neglect of children will not be tolerated or accepted, and we are making every effort to address the problem. As part of the first one hundred day programme, the Ministry of Social Development conducted a survey which indicated that there are approximately thirty children between the ages of eight and fourteen years who roam the streets of Kingstown. Mr. Speaker I would want to ask this Honourable House to note that I mentioned Kingstown. Related information further suggests that a considerable percentage of these children roam the streets during the day then return to their homes at very late hours in the night, therefore, as part of my Ministry's programme to address the situation, the following measures will be put in place:

1. We will conduct case studies or social enquiries on each affected child – special attention will be paid to the physical environment of each child's home.
2. We will offer free counseling and follow up counseling of the abandoned or neglected child and all family or household members concerned.
3. When necessary, facilitate such children being placed into a foster home or in foster care or some other appropriate place of aboard such as a crisis centre on a temporary basis.
4. We will conduct a series of workshops focusing on parenting skills.
5. The OECS programme on the reform of legislation for families and children will help to harmonise the laws of St. Vincent and the Grenadines thus conforming to the Convention on the Rights of the Child and the enforcement of its articles which provides for the safety of the child.

Mr. Speaker, Honourable Members, it must be noted however, that my Ministry needs the co-operation of several key agencies such as the Police, the Ministry of Education and the non-governmental organizations namely Marion House and the churches. The

co-operation of parents is critical to the success of this programme. I am obliged Mr. Speaker.

8. *The Honourable Gerard Shallow (Opposition Senator) asked the Honourable Minister of Agriculture, Lands and Fisheries to please indicate when would the details of the WIBDECO plan agreed to by Government for the restructuring of the Banana Industry be made public.*

HONOURABLE SELMON WALTERS: Mr. Speaker, Honourable Members, there are some aspects of the restructuring of the banana industry that are directly handled by the Ministry of Finance and our Prime Minister being spokesperson for bananas in CARICOM dealt intimately with these aspects, I would ask him to provide the answer to this part of it.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, it pains me greatly that a member of this Honourable House can ask a question as to when the details of the WIBDECO plan agreed to by the Government for the restructuring of the banana industry would be made public. It means that this particular Member of Parliament is not living on the same planet nor in fact in St. Vincent and the Grenadines. I can understand now why the NDP lost the Elections. They listened to themselves alone.

Mr. Speaker, never in the history of St. Vincent and the Grenadines has the plan which has been agreed upon concerning bananas been so widely publicized. There has never been an occasion in this country when a law in relation to anything been so widely publicized as a Banana Bill - a new Banana Act which will be coming into Parliament today. There have been several consultations on radio up and down this country. Mr. Speaker, if you read the newspapers day in day out, week in week out, you would have seen after every single meeting which has been held from June onwards between the banana donors, the European Union and others, the OECS leaders, particularly the banana producing countries. Detailed successive communiques have been issued to the public. His Excellency Mr. John Calliguro- the European Union Ambassador, Head of Delegation. He and I, at repeated Press Conferences in St. Vincent and the Grenadines, broadcast live on radio and subsequently on television, put in the print media; we have been at pains to point out the nature of the agreement, yet the Honourable Senator Shallow still wants to know when would this plan be made public.

On the 13th of September, in a well advertised address on Radio and Television simultaneously, I said the following:

“The restructured WIBDECO will have the direct responsibilities for purchasing of fruits, reception and loading, marketing, research and development and bulk purchasing of inputs. The restructured new banana entity will have responsibilities for product management, pest and disease control, contract price negotiations with WIBDECO, advocacy, input distribution, payment to growers with back to back contract with the Banana Growers Association and management of the input CESS Account.”

Mr. Speaker, these things are also listed on leaflets distributed to all these consultations where thousands of people in St. Vincent and the Grenadines received copies, yet Senator Shallow said it hasn't been made public. I do not know now what to do Mr. Speaker, because it pains me greatly that all these things have been done; hundreds of farmers have been involved. People from all over the world have come here and spoken about it, and yet Senator Shallow has no knowledge of it.

So Mr. Speaker, in relation to the specific matters concerning workers for the severance pay, where the changes have taken place already at the reception and loading where WIBDECO now has those responsibilities, since the 1st October all the arrangements have been put in place. I have spoken about them, Senator Snagg has spoken about them, the union leaders have spoken about them publicly, the General Manager of the Banana Growers Association, I do not know what else to do if that has not been public. If after this no one knows about this matter well I do not know what to say. And that is why it was necessary for me to answer this question and not the Honourable Minister of Agriculture because I was intimately involved with all these things, given my responsibility in CARICOM and the OECS for bananas. And I had to express my genuine pain on this matter.

I hope that Senator Shallow is now fully informed and I will make available for him a copy of the address which I delivered on the 13th of September. Thank you.

9. *The Honourable Gerard Shallow (Opposition Senator) asked the Honourable Minister of Agriculture, Lands and Fisheries to please state whether the decision by the New Democratic Party, to provide house spots for one dollar (\$1.00) each to residents of Dark View and Rose Bank, who lost their homes during the passage of hurricane Lenny in 1999, is still in effect.*

HONOURABLE SELMON WALTERS: Mr. Speaker, the question has no merit because the New Democratic Party has no authority to distribute government lands. However Mr. Speaker, I would provide the answer to what I think the Honourable Senator wanted to ask.

Mr. Speaker, at the Cabinet meeting of the 13th of December 1999 it was then decided by the previous administration to make twelve lots available to residents of Rose Bank and Dark View who lost their houses during the passage of hurricane Lenny. The lots which measured 50 by 75 feet were taken up by the people to whom they were assigned. The lots were given at a token cost of one dollar. To date Mr. Speaker, no monies were paid and no deeds were prepared. The matter is now placed under review by the Ministry of Agriculture, Lands and Fisheries. It will fit in nicely with the policy of the Government to give title to those people who occupy State-owned lands once arrangements and agreements are sorted out. This review does not mean that the agreement with the residents in question may change. In fact Mr. Speaker, they may or may not change.

HONOURABLE MR. SPEAKER: Before I ask for question ten and eleven, I wish to point out to the Honourable Senator that whilst Sections 3 (1) had given legitimacy to him to ask questions, he has got to pay attention to Section 19 (1) and (4). Notice of questions must be given ten clear days before you can participate here. You of course have to take the oath, which you took today, and therefore your questions would not have been given the authorised time. I just wanted to point that out to you.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I wouldn't wish you to deny him the opportunity; I would like to answer the question very much. I don't think we should deny him even though you are quite right in terms of your interpretation, as you have established from the Standing Orders of the House. He is young in the business. I think perhaps we should allow him.

DR. THE HONOURABLE RALPH GONSALVES: If he asked, do I have your permission to answer it?

HONOURABLE MR. SPEAKER: I would not want to deny him, but I just thought I should point out that and that we should pay attention to the rules of the House.

10. *The Honourable St. Clair Leacock (Opposition Senator) asked the Honourable Prime Minister and Minister of Finance to state:*

- (a) *the amount or money granted to the former Chairman of the ODD for study at the St. Augustine Campus of the University of the West Indies.*
- (a) *the criteria used for such an award.*

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, when an opening batsman goes to the wicket he must make sure that he knows how to play the ball and that he hopes that he doesn't open against the fastest bowler on the team. And he must have his guard well protected because whilst my previous answer pained me, this one saddens me because the Honourable Senator Leacock is referring to Mr. Fitz Jones who arrived at the position of Chairman of the ODD in his capacity as President of the St. Vincent and the Grenadines Teachers' Union, but he wanted to separate the functions because he wanted to make political mileage where none is to be had. And when I am concluded here he would see why he ought not to have asked this question, and that it is an issue which troubles me greatly that he could ask a question like this. I would not say it emanates from mischief or malice, but it is one which incurs sadness because this Government does not award anything on the basis of political orientation, and certainly not scholarships or assistance for scholarships on the basis of their political orientation.

Mr. Speaker, there is a well established programme and policy in which regarding the granting of scholarships and assistance for persons who want to be trained overseas or indeed here in St. Vincent and the Grenadines for persons who are members of the public service or those who are not even members of the public service through the Public Service Commissions. And since we have gotten into Government, we have made it plain to the Chief Personnel Officer that in addition to other criteria that we would wish consideration to be given to persons who have either distinguished themselves in leadership or participated with distinction in voluntary organizations. It was the same principle which motivated me to mobilize the machinery of government to ensure that Hallimah Deshong, the Under-twenty-Three Captain of the Netball Team for Saint Vincent and the Grenadines to get a scholarship. She was admitted to the University on four occasions but the NDP administration denied her assistance; but someone who made the Under-Twenty-Three netball side, and who captained it, to my mind, and also successfully (she also captained the national one subsequently), that such a person, once she has the entry qualifications for the University, must be given assistance and she received a scholarship. On the same basis, Mr. Fitz Jones who had given tremendous service as President of the Teachers' Union in this country and did so voluntarily - there was no payment to that job as President of the St. Vincent and the Grenadines Teachers' Union. The same principles applied to Mr. Fitz Jones. So that is the additional policy criterion to those which are established. You have your entry qualifications to the University, you have distinguished yourself - if Senator Leacock wishes assistance to complete his PHD, the Ministry of Finance will favourably consider it because he has served as a Major in a voluntary organization. That is the application of the principle.

The Government approved the sum of forty-one thousand two hundred dollars for two years for Mr. Fitz Jones to complete his degree at St. Augustine, UWI. To date an amount of eighteen thousand six hundred and sixty-two dollars has been paid covering tuition and exam, books, guild fees, accommodation, meals, personal expenses, airfare. A balance to be disbursed to him remains of the forty-one thousand two hundred dollars. I want to say Mr. Speaker, to illustrate further that there is no politics involved, and it pains me to have to do so, It saddens me because the motive behind the question is entirely improper, because Senator Leacock knew the total sum because we spoke about it before and it was on the radio. So it is not a desire to learn. And we spoke about it. I myself spoke about it. There is a son of a former Minister, a son of Minister Cruickshank who was granted a scholarship in 1997 for four years to study Civil Engineering, specializing in Marine Engineering and Jetty Maintenance at the University of Miami – a very important skill which we require in this country. Because of a difficulty where he did some courses which he was not required to do and did not do some which he ought to have done, because of wrong advice from his Student Council at the University. That is what appeared to me on the document. And therefore he needs one more semester to complete. And Mr. Speaker, this Government authorised the sum of forty-six thousand one hundred and seventy-six dollars and forty-eight cents for him to complete a semester. Representations were made to me and I swiftly agreed. I saw the documentation. The claim is at the Treasury at this very moment as I speak. You see Mr. Speaker, this Government, I say that to illustrate that this Government and this Prime Minister don't address the issue of students and people going to study through political lenses. And it is difficult for the Opposition to understand this. It is difficult for some people to grasp this. But if I drop down dead just after I talk there will be crying at my funeral, "oh God, Comrad in truth never used to bother with the politics of this thing." But they don't want to admit it when I am alive. I am obliged Mr. Speaker.

SUPPLEMENTARY QUESTION

HONOURABLE ST. CLAIRE LEACOCK: I am indeed obliged Mr. Speaker to the Honourable Prime Minister, and I take note, not so much of the fastness of his bowling but remind him of the importance of occupying the crease. To the extent therefore Mr. Speaker, we have identified a set of useful criteria, I ask of the Prime Minister whether he would see the wisdom of having these criteria published and made available for all interest parties in the future so that transparency – both governance and order may prevail.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, there is nothing more transparent than I speaking it in the House. But to satisfy the Honourable Senator Leacock, I would write him personally a letter and it can be published in the

newspaper and read out. That is the policy of the Government. So any distinguished cricketer, cultural artiste, whatever; you are in Red Cross, voluntary association so that people will know that voluntarism has a value and this Government recognises outstanding contributions in that regard.

11. *Honourable St. Clair Leacock (Opposition Senator) asked the Honourable Minister of Health and the Environment:*

(a) Why and how long has the Ultra Sound Unit at the Milton Cato Memorial Hospital been out of operation.

(b) In light of the additional cost to patients many of whom cannot afford it, when will this machine be operational.

HONOURABLE DR. DOUGLAS SLATER: Mr. Speaker, Honourable Members, in answer to this question, I think the public needs to understand that there is a single Ultra Sound Machine in the X-ray Unit of the Milton Cato Memorial Hospital or the Kingstown General Hospital as it is better known. This machine malfunctioned on the afternoon of Wednesday 5th of September 2001. That same afternoon the Chief Radiographer contacted one Mr. Jeffery Smith – a Biomedical Engineer with the General Electric Company based in Barbados. This is a company from which the equipment was supplied. I think this equipment was supplied in the year 1997, donated by the NIS. He visited the following day. Note the rapid response – the following day - Thursday 6th September and investigated the fault. The fault as explained was that the connector board which connects the Ultra Sound probe to the transducer, (these are parts of the Ultra Sound Machine) was found to be defective and needed to be replaced. This connector board is part of the computerized system of the equipment. Mr. Smith called the company in the United States and placed the orders. You would recall that a significant event occurred on the September 11 and subsequent to that date most air traffic from North America was ceased for a significant period of time. For that reason the parts arrived in St. Vincent and the Grenadines out of Martinique on Friday 21st September 2001, having been held up by the circumstances surrounding September 11, World Trade Center events. Unfortunately, the part received from the company – the French Unit in Martinique, because we had to decide since we could not source it from the United States we will source it from the nearest company which was Martinique, unfortunately, the part received did not meet the specifications as the part ordered by Mr. Smith of General Electric. It has to do with the machine becoming more or less outdated. And that is the nature of technology; they become outdated very rapidly. So the machine that was bought in 1997 by now was more or less outdated in the series, and they sent a part that was newer. The part therefore had to be returned forthwith. That has been done, and we are currently awaiting the arrival of the re-ordered Unit and it is

estimated to arrive any time soon. As soon as it arrives, the machine will be up and running. And I would say that the current air transport status in the United States still has not help us in this respect.

(b) I think it is fairly logical to understand that we have no control on the replacement of this part as explained. Certainly, patients have had to therefore meet their needs from a private institution that provides this service at a very reasonable cost, and this has not been a major problem, in fact, in some cases, in the cases of emergencies, very serious needs and indigent patients, this cost has been met by the General Hospital. So we expect that as soon as the part arrives we will have the service up and going.

I want to also add for the Honourable Senator, and Mr. Speaker for the information of the House, that this Government takes the whole question of provision of health services very seriously. And indeed one would remember that approximately a year and a half ago when we hinted at the shortage of nurses in this country; at one time it was even denied, and nothing was done by the past administration to plan for the crisis situation that we now find ourselves. This Government in the short space of time has put in place measures to address this problem. And even though the Leader of the Opposition criticized our Government for going to Cuba, one must ask whether the health of the nation is not important enough for us to travel in a pre-arranged tour to try and solve many of the problems that were left by the previous administration. And we would also be aware that even the President of the United States of America encouraged his nationals to continue living life as normal, and up to now I do not understand why the Leader of the Opposition and the Opposition would have a problem with a delegation from St. Vincent going to Cuba a few days after the World Trade Centre event to try and solve problems like problems, of teachers, problems of health, problems of engineering to boost the capacity of our country to improve our development. So the Leader of the Opposition and the Opposition have a lot to do to this public. I am much obliged Mr. Speaker.

SUPPLEMENTARY QUESTION

HONOURABLE ST. CLAIRE LEACOCK: Mr. Speaker, with your permission I asked of the Honourable Minister of Health that in view of the technical difficulties being experienced by your Government and your abiding care of the poor people of St. Vincent and the Grenadines as demonstrated by your statement this morning, whether you would kindly consider subsidizing the additional cost of the poor people in St. Vincent and the Grenadines who must go to private hospital for the expert care by providing them with credit notes to compensate for the difference between the public cost and the private cost.

HONOURABLE DR. DOUGLAS SLATER: Mr. Speaker, I think I have already answered that question in stating that in select cases of indigent persons we have done it and will continue to do so if it is necessary.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, it is now 12:30. And to facilitate the Food Fair which is on at the market, and given the fact that we are seeking to promote the Central Market very much. And perhaps if we can adjourn at this time, I know the opposition usually requires two hours to have lunch. So we would say in that context 2:30, and I am hoping that they will patronize the Vegetable Market. And I am hoping also that since they haven't taken a voluntary cut of 5% they can perhaps buy a meal or two for one or two members here who have taken their 5% cut.

Mr. Speaker, I move the adjournment to 2:30 for lunch.

House adjourned 12:30 p.m. for lunch.

Question put and agreed to.

House resumed: 2:30 p.m.

MOTION

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I beg to move that the proceedings of the day's sitting be exempted under Standing Orders "Hours of Sitting" (S.O. 12(5)).

HONOURABLE VINCENT BEACHE: Seconded the motion.

Question put and agreed to.

ORDERS OF THE DAY

THE BANANA RESTRUCTURING BILL, 2001

HONOURABLE SELMON WALTERS: Mr. Speaker I be to move that the Bill for an Act to make provision for the restructuring of the Banana Industry be taken through all its stages at today's sitting according to Standing Order 48(2).

HONOURABLE VINCENT BEACHE: Seconded the motion.

Question put and agreed to.

Bill read a first time.

HONOURABLE SELMON WALTERS: Mr. Speaker, I beg to move that the Bill for an Act to make provision for the restructuring of the Banana Industry be read a second time.

HONOURABLE VINCENT BEACHE: Seconded the motion.

Question put and agreed to.

HONOURABLE MR. SPEAKER: Is there any debate on the Bill?

HONOURABLE SELMON WALTERS: Mr. Speaker, today on the bringing of this Bill to the Parliament is the making of History right before our very eyes. To some extent, I want to congratulate the Government in the Ministry of Agriculture and the workers therein and the Chambers of the Attorney General, the Prime Minister, the members of Finance who would have worked hard for the restructuring in bringing this Bill to Parliament. I say so Mr. Speaker, because it is a very courageous thing to do to take the bull by its horns, to do what is to be done to save the vital banana industry in our country. It is a historic occasion and it gives me pleasure Mr. Speaker to present the Bill. Bananas Mr. Speaker is perhaps the single most important commodity in Saint Vincent and the Grenadines. For over 50 years, the people are in a different standard of living from the cultivation of that all important crop. It provided for the people a weekly earning and many of our farmers look forward for their weekly collecting of their revenue so that they can provide a decent standard of living for themselves and their families, sometimes Mr. Speaker, on a Friday you can see many of the bananas farmers in Kingstown with very wide smiles on their faces as they collected their monies, paid their mortgages and would have had substantial amount of revenue in their pockets to look after the affairs of their families. But sadly Mr. Speaker, things have changed, things have not just changed overnight within the industry, things begun to change for a very long time. My criticism of the former administration in not restructuring the industry is that they seem to have been too timid to do what is to be done to restructure and save the industry. But with just about five months office Mr. Speaker, and this administration has the courage to do what is to be done for the people of Saint and the Grenadines and for bananas, for that is the reasons why I believe we were overwhelmingly voted into office on March 28.

Mr. Speaker, the industry begins to enter new course on charted waters. These new course calls for new practices, new methods of production, and new breed of farmers to take the industry through. The environment on the international scene is very hostile to us. The WTO arrangements is not necessarily working in our favour so we have to do what is to be done at the local level to ensure that more monies can flow

into the pockets of our farmers. And that Mr. Speaker, is perhaps the single most important objectives in the entire restructuring exercise, to make sure that the farmers can survive by getting more monies. Because after all Mr. Speaker, if the farmers cannot make it neither will the workers at the BGA, neither will the workers at WIBDECO, neither would the workers in any area of the industry, the farmers are the most important element within the industry. To that extent Mr. Speaker, the Banana Association and the Ministry of Agriculture will work hand in hand to ensure that we improve the farm practices of the farmers. To ensure that their methods of production are in keeping with what is required at the market place so that they increase their volume per acre, they can improve and increase on their quality, they can increase and improve on the management of the farms in terms of managing the labour inputs, managing other chemical inputs and other resources so that bananas can do for the farmers and the people what it did in the past.

Mr. Speaker, I mentioned before that we are operating in the international environment that is not necessarily friendly to us. In the new environment, measures are stringent. We know that the farmers are supposed to produce a fruit that goes from the packaging sheds in the fields directly to the supermarkets and then on to the consumer's table. To that extent certain practices are dictated to the farmers from the market places. For example Mr. Speaker, in the proposed environment, the supermarket operators would like to come into the Caribbean to the Windwards to observe the farm practices of the farmers to ensure that field sanitation, to ensure that the application and control of chemicals would meet the required standards that are acceptable by the consumers in the European Union Countries. And all this Mr. Speaker, adds to the burden and the work of the farmers in producing the approved quality and quantity for consumption in the European Union Countries.

Mr. Speaker, the restructuring of the industry is well and truly on its way. And the bringing of this Bill to Parliament perhaps crowns the restructuring and gives the legal clout to the Government and to the new entity to manage a new banana regime in Saint Vincent and the Grenadines to make it more viable, more productive, more beneficial for our people.

Mr. Speaker, with the passage of this legislation, the Banana Association would see some changes. The result for the BGA would be some down sizing Mr. Speaker. We know that the BGA as a body is grossly indebted. The BGA is indebted to the tune of about \$32 or so million and Mr. Speaker, the BGA doesn't have a clue as to how these monies can be paid and how the Association can wiggle itself out of this indebtedness. It is left to the good will of the Government with the help of our partners to see perhaps how we can arrive at a solution to wiggle our way out of this indebtedness so

we can arrive at a body that would not be indebted, that we can operate on commercial lines and would no longer in the future be that indebted.

Mr. Speaker, the criticism that has been dominant of the BGA, is that in some quarters the complaint is that it operates something like a social club where the elite of the body seem to be the major beneficiaries of credit. On a close examination, it would seem to be a criticism that has some merit, because the most indebted people in the Association seem to be the big farmers. And the cry from the smaller farmers is that the 50% up front down payment for inputs is sometimes beyond them, we are hearing that many of them would have to look elsewhere for the 50% down payment to access credit in terms of input from the Association.

Mr. Speaker, all is not well at all with the management of the BGA. Though some extended legislation aims to address that to ensure that we have good financial management, to ensure that revolving funds vested in the BGA will be properly utilized bringing benefits right across the sector of farmers and to ensure Mr. Speaker, that by 2006 when we no longer enjoy preferential treatment from Britain when there is only a tariff for the arrangement for the movement of bananas into Europe that our farmers can still survive and make monies. And so Mr. Speaker, we are well on the way to doing that.

Mr. Speaker, with regards to our marketing partners in Europe, WIBDECO, that body would also see some restructuring. We have to bring that body in line Mr. Speaker, make it more cost effective and we have to also hold the body to arrangements and agreements made in terms of taking other agricultural produce into Europe. Every week Mr. Speaker, significant amount of revenue is lost by death freight on the ships going in to Europe and we have to ensure that we can produce other commodities and use WIBDECO as our marketing agents in Europe so that it is not only bananas that will be marketed but other agricultural produce can be marketed under the WIBDECO arrangement. We have to make it a more lenient and more cost effective operation, so that more monies can flow into the pockets of our farmers.

Mr. Speaker, the legislation has some expected results and perhaps, among these expectations, is the removal of the numerous intermediaries between the grower and the market place. There are simply too many intermediaries and there is simply too much long stopping, so to speak, of the revenue that will flow more smoothly into the coffers of the farmers. And as I said before if the farmers cannot survive neither can anyone else. So the legislation aims, first of all, to remove some of these intermediaries and to leave only those that are absolutely necessary, so that the industry can run profitably along commercial lines.

Mr. Speaker, the legislation aims also to help the farmers to increase yield per acre. I was amazed Mr. Speaker last month when we led a delegation to Martinique to realize that in that neighboring Caribbean Territory the yield per acre in some instances triple what we have on average in Saint Vincent and the Grenadines. Perhaps there are practices there we have to learn from. Later on in this month, early in November a delegation will come from Martinique to Saint Vincent and the Grenadines to work with our farmers to pass on to them, bits of technology and advice as to how we can improve our yield per acre. So that, even though a farmer operates simply on 5 or so acres his yield per acre can be so enhancing that it becomes viable and profitable for him to continue in bananas. We simply cannot rule out on time Mr. Speaker, something must be done and will be done by this Administration to ensure that the industry not just survives, but is profitable.

Mr. Speaker, we simply have to improve also the quality of bananas that we produce in Saint Vincent and the Grenadines. Gone are the days Mr. Speaker, when farmers could have gone to their farms and planted bananas on a part-time basis. Gone are the days Mr. Speaker, when absenteeism on the farm was accepted. In this new environment we must produce bananas not on a part-time basis, but on a whole time basis, in a businesslike atmosphere; being committed to making bananas work and to ensure that bananas does something for those who are involved in it. And Mr. Speaker, it becomes a waste of time if as a farmer, we go on the farm and for the whole year or more, plant bananas, produce bananas only. At the end of the year, or at the end of the period, to have our bred poor quality and to have them not being accepted at the buying depots, we would have wasted our times. So the legislation aims to a certain extent to assist our farmers in producing the acceptable acreage and quality.

Mr. Speaker, it aims also to attract younger farmers into banana production. The Agriculture Census of 2000 has shown us that a significant number of our farmers are aged and are aging and many of them seem to be suffering from what we may like to call banana fatigue. Much of the lands lie idle that once produce significant amount of bananas and we have not yet been able to attract the newer, younger, stronger people into producing bananas. We have to look for the way Mr. Speaker to attract these young people into producing bananas. The Ministry of Agriculture is looking closely at developing a land policy where the aged farmers who feel tired, banana fatigue, would hand over their lands to a new generation of farmers, not necessarily the offsprings, under a programme organized by the Ministry to ensure that lands are made available not only for the cultivation of bananas but for the cultivation of Agricultural produce across the board. In former sittings of this House Mr. Speaker, mention was made of our social recovery programme that is designed to benefit those older farmers who would no longer produce and would drop out from the industry. And so Mr. Speaker

to some extent, the legislation aims to look in its wider sense at all these areas, to improve and enhance the production of bananas and to make sure that it is produced competitively that we can have sustainable income and economic activity from the industry.

Mr. Speaker, the Act itself had some differences from the former legislation that governs the BGA. I would just point out Mr. Speaker, some of them. For example, whereas Mr. Speaker, in the former legislation, the BGA, the farmers operated with an AGM (an Annual General Meeting) as one of the highest decision making bodies. In this Act our proposed assembly of farmers is put forward here. Whereas Mr. Speaker, in the former legislation the BGA was managed by a Board of Directors elected at that AGM. In this present legislation, a banana advisory committee will replace the Board of Directors and these BAC would be the steering committee, the managing committee of a lenient more cost effective banana growers association.

Mr. Speaker, in clause 6 of the Act, we have mentioned there the composition of that banana advisory committee. It says Mr. Speaker,

That the Committee shall consist of 15 persons appointed by the Cabinet as follows:

And there we have clause 6(1)(a) the Chief Agricultural Officer in the Ministry of Agriculture, Lands and Fisheries or his nominee.

(b) the director General of Finance and Planning or his nominee who shall be ex-officio members and then we have

(c) eight persons who are banana growers, they are represented by the Chamber of Commerce. Four other persons one of whom shall be representative from the Trade Union.

Mr. Speaker, so you can see that the Committee is a broad based Committee that is widely represented. Gone are the days Mr. Speaker when the business of banana was simply a business of the farmers. In this new environment, in this new legislation is the business of bananas; is the business of every conscientious Vincentian, every stakeholder within the State must now play a part in the management and the operation of the new banana regime.

Mr. Speaker, in clause 6(2) Cabinet shall by instrument in writing appoint a Chairman and a Deputy Chairman of the Committee from amongst its members and the Deputy

Chairman shall, in the absence, for any reason, of the Chairman perform the functions of the Chairman.

Mr. Speaker, clause 6(2) is one of the areas where the Bill has gotten some criticism. We are hearing that Cabinet must not appoint anybody. We are hearing that we should do as in the old form where people get together in a social atmosphere have some nice time and arrive at somebody who they think is the most capable of managing the Industry.

Mr. Speaker, the days of the BGA as a social club are gone. Perhaps it is because of that sort of management why today the BGA is in a debt of \$32 million and doesn't have a clue as to how it should be paid and so Mr. Speaker, for those who may criticize us in this legislation and say Cabinet must not appoint Chairman or Deputy Chairman, then those people will have to tell us how they proposed to pay the massive debt of the BGA. If the Government Mr. Speaker, is supposed to pay this debt, then the Government has the right to appoint the Chairman and Deputy Chairman and to ensure in the interim that legislation that seeks to govern the new BGA does so on solid grounds. May I say Mr. Speaker that we are looking at this bit of legislation as an interim measure to take the association, the industry through this critical stage. If it works Mr. Speaker, so be it, if it doesn't work after about a year then you can come back to the Parliament and make amendments. But something must be done Mr. Speaker to ensure that we conform to the new market environment, we conform in a way to offset the international persons that work against us and to make sure that bananas can survive not only in Saint Vincent and the Grenadines but in the wider Windward Islands. Mr. Speaker, in Clause 11 we have what is described there as a register of growers. And any person Mr. Speaker, as in the old legislation who produces 30 max or more bananas is eligible for registration in the new environment. But Mr. Speaker, in this new legislation, in this new regime, we would not encourage multiple registration. We know that there are many farmers Mr. Speaker, who hold multiple registration, and many of them use this to evade meeting their obligations in terms of their credit with the BGA. And we know that there are some farmers Mr. Speaker, who would take credit on one registration card and sell bananas on another card to avoid paying their dues. Perhaps Mr. Speaker, this is why we have a \$30 million outstanding from farmers to the BGA. Under this new arrangement this multiple registration would not be encouraged nor be permitted. For example Mr. Speaker, if a man has one plot of land lets say one 5-acre plot he will be allowed one registration number and one registration card. We can no longer have 15 members of the family having 15 registration cards for the same plot of land. This form of management is what has caused the BGA today to be in the "dire-strait" that it is in and to some extent the legislation is there addressing this.

Mr. Speaker, in Clause 17 we have a roll for the Chief Agricultural Officer who must now play a hands on roll where bananas are concerned, Clause 17(1) the association may in writing, require the Chief Agricultural Officer to enter upon any land where bananas or banana plants are situated for the propose of appraising or inspecting. Mr. Speaker this is a new role for the Chief Agricultural Officer. It shows us that in this new regime, the new environment, the Ministry of Agriculture itself must now play a proactive role in the management of the industry in Saint Vincent and the Grenadines. In the old legislation Mr. Speaker the BGA operated by itself with a minimum amount of corporation with Ministry of Agriculture. In this new legislation, the new way of doing things the Ministry of Agriculture and the trained extension officers in that Ministry headed by the CAO will play a proactive role in the management of the industry in Saint Vincent and the Grenadines. And so Mr. Speaker, in the whole clause we can read there the role of the Chief Agricultural Officer in this new environment, in the new management of banana in Saint Vincent and the Grenadines. And so Mr. Speaker, the legislation is quite simple to understand we have gone through the length and breath of this country to appraise our people of this new environment, of this new legislation. We have held three consultations which were broadcast live on radio, there was one in Georgetown, there was one in Marriagua and there was one in Chateaubelair and Mr. Speaker, perhaps this is a new way of doing things. A legislation that will affect the people in any way must be taken to the people, discussed with the people, changes must be made because after all Mr. Speaker it aims to govern the people and this is the way things would be done in terms of this legislation by, this new Administration for the way forward.

Mr. Speaker, I commend the legislation to this Honourable House and I wish the legislation an easy passage. After all, the only thing that is constant in life is change. You could fail to change Mr. Speaker; you could fail to bring the industry on commercial lines, better managed, more proactive I am afraid in 2006 Mr. Speaker, we would lose the market and Saint Vincent and the Grenadines and by extension the Windwards would be in "dire-strait", I wish the legislation an easy passage through this Honourable House.

HONOURABLE MR. SPEAKER: Any further debate on this Bill?

HONOURABLE GERALD SHALLOW: Mr. Speaker, I rise to make my contribution to this Act brought before this Honourable House to make provision for the restructuring of the banana industry. Mr. Speaker, it is with a sense of passion, it is with a deep sense of concern that I address this very delicate issue of banana production in Saint Vincent and the Grenadines. It is fair to say that our economy as it stands today owes very much to the banana industry. We would not forget Mr. Speaker in the very early days when we started taking the bunches on our heads to the boxing plants to sell our

bananas we use cotta to carry them. We will not forget Mr. Speaker how our farmers adopted and adjusted to the change in demands of the industry as we travelled through the years. We must not forget Mr. Speaker that the backbone of our economy then firmly and soundly depended on the banana industry. It is with that view in mind Mr. Speaker that I encourage us to give this industry some very serious consideration.

Now Mr. Speaker, it is fair to say that many of our farmers have made tremendous sacrifices over the years to ensure the survival of this industry. It is important for us to recall Mr. Speaker as a teacher standing in the classroom we will never forget the days of shipment when the attendance has fallen below 50% simply because parents opted to take their children to give them the assistance they need in the fields instead of employing much needed labour. In other words, people opted to work in the industry simply because of the direct returns on which they soundly depended to take their families through the stages that ensued at that point in time.

Mr. Speaker, it is also very important for us to note that the standards of living that currently exist in Saint Vincent and the Grenadines are as a direct result of the success of the industry over the years. Mr. Speaker, it is fair to say that times have changed, we have now arrived at what I would refer to as crossroads in the industry of bananas and Mr. Speaker, while we on this side of the House subscribe to the notion of restructuring the industry, I would state categorically here that we have to be compassionate. We have to be concerned about those who are going to be directly affected by the restructured industry.

Mr. Speaker, we are now being confronted with a situation where we have to function on if I may call it this word, a "slim down" banana industry clearly indicating that because of the commercial nature that the industry is now about to take, farmers are going to have to take their exist from the industry. And I say that Mr. Speaker, because it is clear by the requirements stipulated in the proposals of WIBDECO that not every farmer who is currently producing bananas will be able to cope with the requirements that are now requested of them. (Interruption) Hold on, I know Mr. Speaker, it was said earlier that the information has been circulated wide and far, but I am not sure Mr. Speaker that our farmers are fully aware of the changes that are supposed to take place in the industry.

Mr. Speaker, it is important for us to consider the investment capabilities of the farmers who are supposed to continue producing bananas. When one considers the information that has been disseminated from the consultations and from very reliable sources it is clear to us that poor farmers are going to meet it increasingly difficult and hence have to take the alternative, which is to leave the industry. We have seen Mr. Speaker where as has been proposed by this draft bit of legislation brought before this

Honourable House, that a person planting 30 mats or holes or plants of bananas can apply for registration, but on the other hand Mr. Speaker, we must clearly understand that in order to be certified you've got to be in possession of at least 5 acres of bananas. How do we weigh this situation out Mr. Speaker? I want to ask the question. Why should one register for a small holding of land when he or she knows fully well that it is going to be difficult to be given certification for the production of bananas. Our farmers need to know things of this nature Mr. Speaker.

It is also vitally important for our farmers to be told that they are going to have the full responsibility of enduring the cost of producing, treating and harvesting their bananas up to the point where they are taken to the internal buying centres or depots. This therefore means Mr. Speaker that farmers who are currently in the industry going to have to have sound financial backing and we have already been told that it is going to be their full responsibility to ensure that they receive finances from the commercial agencies in and around Saint Vincent, therefore indicating Mr. Speaker that there is a problem that we have to deal with. It is clear to us Mr. Speaker that farmers would have to be leaving the industry and while we do subscribe to the notion of restructuring the industry, it is important for us to note that because of what bananas would have done to these unfortunate farmers who would have to act otherwise, we need to see in place Mr. Speaker, mechanisms, alternatives that would cushion the fall out of these farmers from the industry. After all, I am fully aware of the fact Mr. Speaker that there are farmers now who are committed to loans, there are farmers now who have heavy responsibilities educating their children. Some would have children in Universities, some in secondary schools and banana is the only source of income. How do we deal with the fall out of these farmers Mr. Speaker from the industry, it is very important for us to note Mr. Speaker that the whole issue of transport when it comes to our transportation of the bananas would be provided for by what I would describe as long flat bed trucks. We are aware of the Mr. Speaker that quite a lot of our Vincentian people have invested in buying how we commonly called them 'skettel trucks' and stuff like that. It is clear now Mr. Speaker, that those who would have done that depending on the transportation of bananas to repay their loans has something else to think about, because they are certainly going to be encountering some difficulties when it comes to the transportation of bananas because certainly, they would not be able to accommodate the quantum or the volume of bananas demarcated to be transported because I think the limit here states clearly that the truck would be able to take ten pallets and we know the volume of a single pallet. So clearly, those folks who would have invested in small pick-up trucks seemingly with a view of reclaiming the money through the transportation of bananas would have to think otherwise. Situations like these Mr. Speaker must be given serious consideration. I am not sure that these people are fully aware of the consequences to be resulted from the implementation of the WIBDECO plan. It is for

that reason Mr. Speaker why I think it is absolutely clear that the final details of the WIBDECO plan be brought to the public. There are quite a lot of pertinent information enclosed in this plan that the farmers need to know and what I am simply saying is that a lot could be avoided should they be told now than for them to embark on planting more bananas and at the end simply to be told that you have not qualified for registration or you are denied certification, hence, that would state clearly that the farmers have to find some alternative means of survival.

Mr. Speaker, it is with a level of concern too, that I choose to highlight an issue enclosed in the WIBDECO proposals that need to be made public to the farmers. I am sure Mr. Speaker, the farmers had this information: that thousands of vans? as I would have had to be providing would have been avoided. Mr. Speaker, there are certain criteria used for the selection of farmers and I have a sneaky suspicion that farmers have already been targetted because all along the line we have been hearing about targetted farmers. Special farmers who can meet the requirements, as set out by WIBDECO would be given individual contracts, let's talk about these contracts Mr. Speaker. We are told that in order for a farmer to receive a contract, and these contracts have to be signed directly between WIBDECO and the farmers, certain criteria must be met. The consideration would be their historical performance, their land suitability, their attitude and management capability and their indebtedness and commitment. Hence Mr. Speaker, I am fully aware that there are people, as I speak at this very moment, who are in the fields planting bananas unaware as to whether or not they are going to meet this criteria. The fact is, their efforts could be all in vain, money could be badly spent and I want to suggest Mr. Speaker that we at this point in time make another concerted effort if we have to reduce ourselves to having printed and circulated so that farmers would be able to have a hands on idea as to what the details of what this WIBDECO proposals is, then I know we will save much more of the problems that we will encounter because I know farmers are going to be totally upset when they receive information after they have gone into the production of bananas. (Interruption) Mr. Speaker, I think there is a distinct difference between the Act that is brought before this Honourable House and the proposals as issued by WIBDECO and I am particularly concerned about the insufficient or lack thereof of the publication of the WIBDECO proposal, that is what we need. People need to know what exactly they are required to do or what are the criteria under which they will be selected or what they need to do in order to continue or to leave the industry.

Mr. Speaker, I had perused the legislation brought before this Honourable House and smile because I realize what is actually happening here is that the Bananas Growers Association is now being arrested by the Government. And to substantiate what I am saying Mr. Speaker, this banana industry has been arrested, it has been arrested there is no two ways about it Mr. Speaker and I want to highlight something here Mr.

Speaker, when we look at Clause 6, Clause 6 clearly state that the Committee shall comprise of 15 persons appointed by Cabinet as follows, I will not go on to read the names, but what I am simply saying here Mr. Speaker, is that there has been no room, no accommodation for the farmers who would have been responsible for the existence of this industry to at least have a little power, a little say, a little contribution. I would want to suggest Mr. Speaker that the general assembly be given the privilege to at least name six of these people. I think that will go a long way in a making them feel part and parcel of the whole restructuring process.

Mr. Speaker, it would be very interesting if these culprits could be brought forward because I am sure there are going to be some names on these list that would surprise most of us and a lot of us.

DR. THE HONOURABLE RALPH GONSALVES: I agree with you. It will really surprise you.

HONOURABLE GERARD SHALLOW: However, Mr. Speaker it is with my concerned that I seriously recommend that this piece of legislation be given some further consideration. I would suggest that considerations be given to the farmers, after all Mr. Speaker these are the ones who brought Saint Vincent and the Grenadines from the ashes to where we are now and as the old saying says, 'it is hardly ever a wise thing to do to kick down the ladder on which we have climbed'. Let them feel part and parcel of this restructuring process. I would also Mr. Speaker want to recommend that certain mechanisms be put in place to cushion the fall out of those farmers who would have to leave the industry because whether you want to admit it yes or no Mr. Speaker, farmers are definitely going to have to leave the industry, either by way of not meeting the criteria, not having the acreage of lands required, not being able to deal with the fixed volume of bananas weekly or whatever the limitation or difficulties are that they may encounter, farmers are definitely going to leave the industry, and I want to suggest Mr. Speaker that the best thing to do at this point in time before anybody spend money that could otherwise be used let them know what is required of them, let them assess themselves and ascertain to themselves whether or not they are going to be able to be a part and parcel of this restructuring process. Let them know whether or not they are going to be given the certification that would make them eligible to attain or to gain a contract with WIBDECO because it is vitally important Mr. Speaker that this information comes early much of what could result could be avoided should that information be made public now. Mr. Speaker, before I close, I would want to recommend that this legislation as it stands, treat the farmers as if they are valueless. My respect for the farmers is so much so because of where they have brought us, that I think they should be given an equal opportunity to contribute to this

restructuring process. And because of the legislation as it stands Mr. Speaker; I have no choice more than to withdraw my support from this bit of legislation. I thank you.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, Honourable Members, in making this presentation to this Honourable House on this Bill for Act to make provision for the restructuring of the banana industry, the Minister responsible for Agriculture pointed to what he described as the historic nature of this Bill. Mr. Speaker, the process of restructuring of the banana industry in this island has been going on for a quite amount of years and will continue after this year because as the environment in which farmers and others have to operate continues to change so will we have in this Parliament from time to time have to bring legislation here to reflect new realities. I want to say clearly Mr. Speaker, from a practical prospective I question the meaningfulness of this presentation without a clear understanding of strategic plan that will govern the industry going forward. I maintain despite comments to the contrary that the strategy for the deferring of the new goals of the industry cannot be found in this legislation and it is that strategy Mr. Speaker that the banana growers of this country must have information on. The Bill by itself of coarse is not sufficient and while I have some reservations about the Bill Mr. Speaker, I have far greater reservations despite all the talk to the contrary that the farmers in this country have been told precisely what the strategic plan for the industry is and to my mind Mr. Speaker that is germane to an understanding of the Bill itself.

Mr. Speaker, a number of steps have been taken over the years, aimed at improving the performance of the banana industry, but the real difficulties Mr. Speaker as we all know started around 1993 when for the first time we began to see an erosion of the preferential arrangements that govern the operations of the industry. After all, we have been involved in this industry for a long time and from 1993 onwards, we began we begun to have the first real difficulties in terms of the protection that we had received all the years, particularly from the British Government. And it is because of this Mr. Speaker, that efforts were made to restructure the Geest Contract in 1993 and 1994 to remove the exclusive rights of Geest to purchase all or 100% of our bananas. It is because of the fact Mr. Speaker that licenses under the changing regime to export bananas into the United Kingdom and the payments for those licenses were all going to Geest that we have to review our relationship with Geest Mr. Speaker and also Mr. Speaker, that is one of the reasons why we had to establish WIBDECO. I am sure that all Members of this House understand fully that the only reason why we are able to export bananas today, the only reason why we have a licence or licenses to get them in the thing is because we have WIBDECO U.K, because under the new arrangements with them coming into being licenses were on by the importing company. And because WINBAN at that time had no operation in the United Kingdom the

establishment of WIBDECO U.K performs that role and therefore were entitlement to earn licenses started from that time.

Indeed Mr. Speaker all of the argument about the preferential and the period, the reference period, that should be used for this new regime was a very important argument because if the reference period prior to 1994 when WIBDECO was established, if that reference period was used as a basis for granting licenses today then we would not have any licenses to export bananas. For the licenses we now use are the licences owned by WIBDECO U.K and owned by WIBDECO U.K since 1994. All that is part of the restructuring exercise, all that is part of it, so as the circumstances changed Mr. Speaker, we have to make changes in the industry and those fundamental changes made in 1993 and 1994 including the purchase of the Geest Banana Business now entitles us to some dollars licenses also as part owners of Geest. So we are not to assume, or make it appear, Mr. Speaker, to the public, that we are talking about a situation that started with this Administration. Indeed the WIBDECO, which is to pay such an important role in the future of the industry and which is in trying in this legislation Mr. Speaker, that WIBDECO was part of the restructuring that has taken place before.

DR. THE HONOURABLE RALPH GONSALVES: It is the same thing like WINBAN.

HONOURABLE ARNHIM EUSTACE: Well it is different, it is a different entity, WINBAN coming under licenses (inaudible) but it doesn't change, a company has formed and the company is formed from the U.K and the point I am trying to make, you don't always talk about restructuring just started, it started long time ago, a long time ago. The Act that was presented Mr. Speaker in 1996 which gave majority control of the Board of the BGA to the growers was part of a restructuring exercise agreed by the four Islands and the donor community. The argument then put forward was that the growers were being stifled, and not given an opportunity, Mr. Speaker, to make a contribution and to control the industry from which they made their livelihood. That was the justification for the changes made in 1996. There was also debt forgiveness in 1996 for the..., all as part of the restructuring plan, so this is an exercise that is ongoing and will continue. Always talking about timidity. Timid about what? Tell the country that is a restructured exercise it has to take place, changes have been taking place all the time and you are now making another set of changes and you yourself in your presentation Mr. Minister did indicate that if it doesn't work you will have to come back to Parliament again to make amendments. That in itself is a recognition of the fact that this is a process that will continue. So let us deal... let us not try to, you know make the cheap political point here and there we have to go a little beyond that sometimes. (Inaudible) I have some for you though (laughter) but seriously Mr. Speaker, I am very concerned that the strategy behind the legislation is

not out there in the public domain. I listen to a lot of comments this morning Mr. Speaker on these matters, a lot of comments and I am saying it is unfair to the farming community if they are unaware, do not have the details of the strategy that lies behind this legislation. That is fundamental. We have asked several questions in this House over the last couple meetings about this particular matter. We asked one this morning and the Prime Minister said he was in pain. I don't understand what kind of pain he had. The question pains me, he said. I have 6 or 8 questions I will ask the Minister when he is responding, to reply to and let me know whether in fact the farmers of this country are aware of these things or whether in fact they are not required, they are not true. And I would like the Minister, if he is responding, the round up, or any other speaker on the other side, to tell whether this is so or not. Because obviously, there must be a strategy, a clear strategy behind any new legislation and restructuring that is brought before this Honourable House, and there is a concern Mr. Speaker and I understand the concern. The concern that you have to bite some bullets, but Mr. Speaker, if biting a bullet is the condition of having the industry restructured, if biting a bullet is a condition of the financing that you may have to get for the industry then you will have to bite the bullet otherwise the industry will not survive. All of us know, Mr. Speaker, everyone of us here in this House is fully aware, that our cost of production in the Windwards Islands, and I am not here just on Saint Vincent alone, our cost on production in the Windward Islands is more than twice or just over twice what it is for our competitors. All of us know and the Minister spoke about it, that in a few years time, end of 1995 we will be going into a tariff only arrangement.

DR. THE HONOURABLE RALPH GONSALVES: In 2005.

HONOURABLE ARNHIM EUSTACE: 2005 sorry, we will be going into a tariff only arrangement. The Minister knows that on the tariff only arrangement that our industry cannot, unless it's restructured and our cost brought down, that we have to reduce our cost by half. That is not any easy exercise because on the tariff only arrangement you might just have a tariff of £75 a tonne or maybe a little higher but that will not be sufficient to guarantee any protection for our bananas in the market and we will be forced out of business by the Latin American countries who are producing bananas. All of us know that that is the background to the thing. All of us know Mr. Speaker that with the changes in world trade, the new rules of the world trade organisation, the panels and so forth that went forward on these matters that that is the bone of contention, that is the meat of the matter that we in the Windward Islands are not competitive as banana producers. All of us know it, but at the same time we recognized that it is not an easy task to reduce our cost of production to that level and if we do reduce our cost of production to that level, our people, a lot of people, would have to come out of the industry. That is the fundamental reality of what we are

dealing with Mr. Speaker. Can we in these Islands bring our cost of production down to the point where we are able to compete with Latin America? Four dollars, fifty their cost of production as against nine dollars, fifty, U.S that is what it is and I am sure the Minister is aware of that. So because of that in any strategic plan you have to have mechanisms, which are going to allow Mr. Speaker, for these costs to come down and labour being a significant cost of production, it is going to impact on labour. The Minister mentions different layers is going to impact on the different layers and therefore it is going to cause pain. Many farmers and many workers in the banana industry will have to leave the industry and we have to try and compress this into a time period to the year 2005. Can we do it? That is the question. Can we in Saint Vincent and the Grenadines bring our cost of production down significantly? Can we improve our efficiency significantly and can the other Islands, not just us alone, can the other Islands do the same thing? Because as you know in the United Kingdom the market is now dominated by the supermarkets who expect very high quality and who also expect to pay reasonable prices for that very high quality. But they always have been looking at what they have to pay Latin America who is our main competitors. So Mr. Minister...

HONOURABLE MR. SPEAKER: Through the Chair please.

HONOURABLE MR. ARNHIM EUSTACE: Through you Mr. Speaker, my apologies. Is it a fact that the strategic plan of WIBDECO requires that the number of farmers in the Windward Islands Banana Industry be reduce from 10,202 to 4000, is that part of the strategic plan of WIBDECO to be implemented between now and the end of 2005? Is that part of the strategic plans? Further more Mr. Speakers in the case of Saint Vincent and the Grenadines, is it a fact that the number of banana farmers, active farmers are to be reduced from 3,800 to 1,400? In short, is it a fact that 2,400 banana farmers would be required to leave the industry between now and the end of the year 2005? It is my understanding Mr. Speaker that the number of farmers would have to come down. I am asking that we be aware or be made aware of the extent of that reduction because Senator Shallow has made the point that people are going ahead with their planting and so forth, going ahead with some investment in the industry at cost which maybe they may not be able to afford to pay for later on, so I will like some response to those two questions. Is it a fact that the WIBDECO plan Mr. Speaker requires the identifying and the targeting of specific growers who are deemed able to adapt to the new disciplines required for the industry, is that a fact? Have farmers been targetted, identified and targetted in accordance with the requirements from the previous question in terms of bringing down the number of farmers?

Mr. Speaker, the analysis as to which farmers are to relieve I understand, is to be based on the range of criteria including historical performance, land suitability,

attitude, management capability, indebtedness and most importantly Mr. Speaker, in terms of question four, is it a fact, Mr. Speaker, that financial assistance and technical assistance to farmers would be given only to those farmers who are targeted? In other words Mr. Speaker are the financiers and the donors involved in the industry of the view, and is WIBDECO of the view, that the financial and technical assistance to the industry would go only to those farmers who have been targeted? Put it another way Mr. Speaker, are the bananas farmers who don't meet the criteria going to be eligible for any technical and financial assistance? These are very important questions Mr. Speaker and they go to the heart of the future of the industry.

Mr. Speaker is it a fact that for the Windward Islands WIBDECO is targeting farmers who average about 15 tonnes per acre which is much higher than the regional average of 6 to 8 tonnes per acre? Is it a fact that those are the farmers who are being targeted? Who have the capability and I understand Mr. Speaker that in respect of areas where you just have rain fed production you are talking about 12.5 tonnes per acre and in areas where you have irrigation 17.5 tonnes per acre. Are these part of the strategic plan of WIBDECO and our farmers required to meet those conditions?

Mr. Speaker, in order as I understand it to achieve the production control, in other words the numbers, objectives, WIBDECO and or the Association will contract directly with the targeted growers, contract directly with the growers, not anybody just come and sell the bananas. Is it a fact that you will contract directly with the farmers? And there are certain essential conditions have to be met. Among these conditions Mr. Speaker as I understand it, all fruits must come from certified farmers. There is a minimum volume that you have to deliver on a weekly basis whether it is from individual units or groups of growers. Is it a fact that the requirement for weekly fixed volumes of bananas? Is it a fact that WIBDECO at the Inland Centres will operate on a straight accept reject basis in accordance with the specifications for quality, weight and labeling etc. and there is no recourse, no recourse if WIBDECO rejects, is that a fact? No, if WIBDECO rejects, there is no recourse. Well people have made appeals to board and all sorts of things, they have made. I am just asking the questions because these things have to be said clearly to the farming community, it is all good and well to have the consultations and the Act, unless people understand the strategy behind it is like spinning top in mud.

Mr. Speaker, I expect as I understand that you will have a fully commercialized and transparent system with the grower in full control of all cost up to the reception point. My colleague has already raised the issue of the trucking and he has indicated what the position is in that regard. Mr. Speaker, if in fact we are going to be..., over the next couple of years putting 2,400 banana farmers out of the industry because the Prime Minister say all that have been said, it seems to me that we have an enormous

task in terms of what we do in respect of those 2,400 farmers. And Mr. Speaker, is it a fact that WIBDECO itself as indicated, it intends to operate with 58 workers instead of the 198 that now operate in the four Islands? Are these all accepted by the Government of Saint Vincent and the Grenadines in relation to the restructuring of the industry, and are all these to be understood when one deals with this particular piece of legislation? I have heard Mr. Speaker, I have heard the Honourable Minister for National Security speaking with the consultation about the debt and he made it clear that if you cannot pay debt you cannot expect to have control. I understand that, but I am asking Mr. Speaker if the farmers understand all of those strategic decisions. Have they been told all of those strategic plans? Do farmers in Saint Vincent and the Grenadines know Mr. Speaker that between now and the year 2005 that 2,400 of them will have to leave the industry? You will answer me later on; you will answer me later on? I know it is not so easy you know. I am not for one moment suggesting that it is easy to make decisions of this type, indeed I know it is very difficult but when you making them you have to announce them.

Mr. Speaker we cannot put farmers in the position, we cannot put farmers in the position where they continue with investments and be unsure as to whether they can sell their product. That is the fundamental point I am making. I am saying if all those strategic initiatives have been agreed to let people know. Farmers are planting all the time, but they are planting with the understanding that they will be able to sell their bananas. But there are targets in terms of yield per acre to require you and to assist you into certification, so all the things are intertwined, the company is looking for farmers who produce 15 tonnes per acre. If you have good quality and is producing 6 tonnes per acre, can he sell? These are the questions I am asking and these are questions that farmers need to know and if you are not doing that you are not eligible for the financial assistance because the financial assistance is going to the targeted growers. Financial and technical assistance you have to use the Stabex Funds. No but I am not talking about the grant necessarily, I am talking about the loan when I say financial I am including the loans.

DR. THE HONOURABLE RALPH GONSALVES: Loans?

HONOURABLE ARNHIM EUSTACE: Yes, if you go to the bank the bank will want and the bank...,

HONOURABLE MR. SPEAKER: Honourable Member you are to make your statement. Make some notes and...,

HONOURABLE ARNHIM EUSTACE: Thank you very much Mr. Speaker, much obliged,

HONOURABLE MR. SPEAKER: Your time almost gone already.

HONOURABLE ARNHIM EUSTACE: Well I will ask back for the time Mr. Speaker, well I know you will obliged. But seriously Mr. Speaker the issue is it is already stated that financial assistance and technical assistance to the industry will be provided to the targetted growers. So we have a period Mr. Speaker between now and the year 2005. Well we have to implement that and all I am saying Mr. Speaker, let people know up front now you don't have much control over that process, the Windward Islands want to be able to send one hundred and fifteen thousand tonnes of bananas for the market and to gain to get supermarket prices for that amount, but they have set certain specific conditions that farmers have to meet, that the BGA has to meet and all I am saying Mr. Speaker is that the farmers of this country must know those conditions. I listen to the presentation and two of the consultations on the radio and I still ask the question. Are these strategic initiatives agreed too by the Government of Saint Vincent and the Grenadines in relation to the questions that I just pose? I still ask that question Mr. Speaker because I believe that the effort at restructuring will be to no avail if people don't understand up front what it is they are dealing with. I have heard a lot of discussions with various things in the Act and various clauses in Act and the fundamental change in this piece of legislation Mr. Speaker is that the banana grower has very little say and the argument in support of that even by some of those in the past was saying the industry should be controlled by the grower, the argument for that now is that the grower cannot manage the business. The growers put us into \$32 million of debt and therefore somebody else must do it. Well Mr. Speaker I just hope that the Government is more efficient than the growers.

Mr. Speaker, I don't want us to take lightly this issue of how much information in terms of strategic plan that the grower has. I really don't want us to take this lightly at all. Like all of you, I have an interest in seeing the banana industry survive and not only survive Mr. Speaker, but prosper. I have ten acres myself, but I don't make any money from it, (inaudible) I'll have you to look after it and it ain't making any money. You want the Government to look after the whole industry, anyhow, but Mr. Speaker seriously, I am very concerned about that particular matter. May the growers of Saint Vincent and the Grenadines, by the way Mr. Speaker could you tell me how much more time I have?

HONOURABLE MR. SPEAKER: You have 12 more minutes.

HONOURABLE ARNHIM EUSTACE: Oh! Well we still have time. I am very concerned Mr. Speaker about this particular issue. I know Mr. Speaker it is a delicate matter.

DR. THE HONOURABLE RALPH GONSALVES: (Inaudible).

HONOURABLE ARNHIM EUSTACE: Well, let me be the judge of that. It is a very.... issue. I really do not believe Mr. Speaker that despite the actions of the Prime Minister this morning Mr. Speaker, I do not believe that the farmers are being told the whole story in relation to the strategic plan. They are not told the whole story. I know that they are not told the whole story because I have listened on the radio to two of the consultations.

Mr. Speaker, all of us agree that the banana industry is important. It is true that Tourism has overtaken it in our economy, but bananas tend to have a pretty strong value added for our economy Mr. Speaker and whatever we can do to keep it in business Mr. Speaker, whatever we can do at all we should try very hard. Because Mr. Speaker, you can have if the industry collapses untold consequences for our economy, including Mr. Speaker a movement of persons away from the country side which is not desirable I don't think anyone of us want to see that. It also Mr. Speaker will affect our commercial contacts with Europe. If we cannot have the reliability of the weekly shipping by the Geest boats into our country and the other Windward Islands which comes down with goods for business houses then we have to find new sources for those imports and perhaps on a more expensive terms. So there are a lot of implications Mr. Speaker on this particular matter and I am saying Mr. Speaker we have to be aware and we have to come clean and say exactly what the position is and I am saying Mr. Speaker that is not being done. With respect to the Act itself Mr. Speaker, my colleague has made a proposal which I will not repeat at this stage. There are one or two areas which I believe other members on this side will comment on, but I want to say this Act puts a very specific burden on the Cabinet of this country to effectively monitor the operations of the banana industry. And I don't believe Mr. Speaker that in drafting this legislation that that factor is lost on the Government I believe that the Government is fully seized of that reality. But Mr. Speaker, what are the implications mechanisms that will allow and give ready information to the Cabinet. I see the General Manager is required to report at the end of the year within two months of the end of the year, is that the kind of reporting that is going to be done to the Cabinet? Or is there going to be administratively some other reporting requirements so that the Cabinet, which has taken on, this responsibility can be kept regularly informed, because effectively, the Cabinet is going to run the Association. The Cabinet appoints the members, the Cabinet appoints the Chairman and I am asking whether there is some specific reports to the relationships other than the simple report at the end of the year by the General Manager and does Cabinet with all these other responsibilities have all of the time and resources necessary to carry out that kind of monitoring which is implied by this Act? These are questions Mr. Speaker I

posed in this Honourable House. Because it is an awesome responsibility, one may argue, and there may be different schools of thought but one may argue it is a necessary responsibility in the circumstances. I am saying, what are the mechanisms to ensure that you can in fact carry out that task? All these Mr. Speaker are issues that I wish to raise in this context, and support on this Bill Mr. Speaker from this side of the House is going to be contingent on how these matters are handled. Contingent on farmers' understanding clearly what it is we are going into, otherwise Mr. Speaker I fear that we will be wasting time and finally Mr. Speaker, the Prime Minister's from time to time mentioned that work is being done on the recovery plan and you are going to have diversification and so forth and all that sounds good, but at the rate at which this thing may proceed the social recovery plan may have to come sooner rather than later. In the circumstances Mr. Speaker, I shall await the response of the Honourable Minister with respect to the issues that we have raised before giving an indication of our position on this piece of legislation. Much obliged.

HONOURABLE MR. SPEAKER: The Honourable Prime Minister.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, it is important for us to understand the context within which this Bill has been presented. Externally, the trading arrangements which face us point to a new regime in 2006, a regime where all preferences based on any particular licensing system or any other system will go by the board and the tariff quota arrangements with supportive licenses would be replaced by a tariff system only. The battle, which will be waged clearly between now and 2006 would be the extent of the tariff. The Leader of the Opposition is correct that we may well find that the tariff is insufficient to be able to take account of the different levels of efficiency, competitiveness between our bananas, the Windwards bananas and bananas from the dollar producers. And he correctly pointed out that we are roughly twice as expensive in our production cost. That factor, alone, the external market situation, demands an immediate restructuring which is market driven because if we do not restructure under conditions which are market driven now, in the year 2006 the entire banana industry would collapse. Indeed, what we are seeking to do now, ought to have been done earlier to give more breathing space, more time to accomplish the efficiencies, but we now have to deal with the issue with the "hand" we have been given. So that if for political reasons the previous administration was afraid to do the requisite internal rearrangements that is their discredit and whilst they tried to trick the farmers that more or less things can go on as usual and there is some kind of a bottom-less pit of money. The farmers knew better because the farmers were listening to the radio stations and the television stations and civil society was informing them and they understood that the Government then was not moving with any sense of urgency and is no accident that in every banana area in the last elections, the NDP suffered serious, massive electoral set

back. Because despite the fact that you tried to cuddle the farmers, not telling them the truth, it back fired, because they have other sources of finding out information. If you don't level with them because there is the presumption that farmers are ill informed and ignorant as to what is going on, that is not the case. The Leader of the Opposition knows that documents in relation to WIBDECO and the WIBDECO plan have been passed on an ongoing basis to the Windward Island banana farmers representative here, the members of the board of the Banana Growers Association and the General Manager and I dare say on a couple occasions to the Leader of the Opposition. But I give you a document when you came to my office in relation to matters concerning the banana industry. Now, Mr. Speaker, pursuant to this external environment, a critical issue, not the only one, a critical issue relates to the reorganization of the Banana Growers Association itself. Because the donor agencies have made it plain and I would answer all the Leader of the Opposition's queries, not necessarily the order in which he presented them. The donor agencies have made it very plain that before they put one cent more into the industry, they must be satisfied that internally, there is a restructuring of the Banana Growers Association, because, they concluded, quite rightly, that the structure of the Association is inimical to a process which is market driven. Because under the current arrangements or the arrangements which will take effect from January next year WIBDECO will have contracts with the BGA and the BGA will have back to back contracts with the individual farmers. You would have type of bananas, particular grading, how it is packed, for which market niche it is packed, which of the particular supermarkets, because it is well known that unless you make, unless you sell minimum 85% of your bananas to, is called the multiples trade, the supermarkets you already deep in the hole, if you sell to wholesalers more than 15% basically, what you paying the farmers you are not even getting from the wholesalers. Forgetting all the other intermediate cost, that's the reality of the market, so that's another condition. In addition to the broad trading arrangements, there is a market specific condition. If you have elected members of a board making the determination essentially as to which fruit is sent, too much internal political arrangement interfere with the determination of the fruit which is exported and that is plain to see. So that when the farmers have their contracts with WIBDECO and this point has been repeatedly made at all the consultations, Mr. Keizer has made them and I at the last consultation joined him in making them, and I understand that the Minister of National Security, long standing farmer also made those points at the other two consultations, those were the two unfortunately I was out of the State on official business. Clearly and this isn't something which started now, in addition to the restructuring, reorganization of the BGA to make it leaner and more able to accommodate itself to market conditions, we in addition to all that, it is not new, that we are insisting that farmers..., we seek to have farmers produce more tonnes per acre and to save other kinds of cost to be more efficient. But there is no pre-determined plan by WIBDECO and I want to say this specifically to the Leader of

the Opposition. There is no pre-determined plan by WIBDECO or the Government or the new BGA when it comes about to put any farmers deliberately out of production. Because there are some small farmers who are better than larger farmers, so you can't put people out on that basis, or people would not be put out on the basis of whether they large or they small, it would depend on their efficiency, the quality and the cost of their production. Now WIBDECO has advanced all sorts of figures. I have seen different sorts of numbers as I have indicated to the Leader of the Opposition as to how many farmers will be reduced. Already in Saint Vincent and the Grenadines you have had an attrition of farmers from bananas since the changes in 1993. Farmers have left the industry not because anybody has asked them to leave but they have made their rational decision that it is better for them to produce ochroes, yams, dasheens, tannias, fruits or vegetables than to take as they put it, the hassle in bananas: and farmers will again make rational choices because the farmers are no less rational than other business people. So there is no targeting of a particular farmer or particular type of farmer and say you are not going to take bananas from other farmer, that's not true at all. No farmer will be discriminated against so long as he meets the market requirements, because the industry is market driven and we are seeking to move to have all farmers certified that you reach a level where you can be certified; and that is not something which is new, but that is something which we are proceeding with a pace. Because political considerations hitherto interfered with this very important matter because you know if the board is dominated by individuals who are elected at a General Meeting and frankly speaking we all know that the election at a General Meeting you will have farmers there and many, many of the persons who vote, they vote on considerations other than the industry.

HONOURABLE MR. SPEAKER: Honourable Prime Minister, time for a break. You have completed 14 minutes of your debate; I think you have another 31 minutes to go.

The Honourable Speaker moved an indefinite suspension of the House due to power failure.

**Suspension 4:20 p.m.
Resumption 5:05 p.m.**

DR. THE HONOURABLE RALPH GONSALVES: I am obliged Mr. Speaker and I think for the benefit of the listeners I think they should be informed Mr. Speaker that we had an electricity failure, a power failure which resulted in the shutting down of the radio systems and also the lights in the House. We have just gotten back, I am grateful to Vinlec.

Mr. Speaker, before we took the brief suspension due to the power failure I was making the point and answering in the process some of the queries raised by the Honourable Leader of the opposition that the external markets condition in terms of the formal trading arrangements. The new arrangements, which will come into place by 2006, a tariff only system necessitates an immediate restructuring of the industry on a scale not seen before and that this exercise ought to have been more aggressively prosecuted by the previous Government, unfortunately, that was not done.

Then there is the second factor Mr. Speaker, of the precise market situation in so far as it relates to the fact that 85% of our fruit are expected to be sold in the supermarkets and if they are not so sold we will suffer great loss because to sell on the whole sale trade will mean that you will even get less than production cost that's the reality in the specific market circumstances.

A third factor externally relates to the fact that the donor countries would not seek to give you any further assistance to the banana industry internally unless you restructure the BGA itself and seek to improve your competitiveness, that is to say increase your yield per acre, increase your quality and reduce your cost. And I was demonstrating Mr. Speaker that the way in which the Board, the former Banana Growers Association and its Board, the way in which they have evolved, they have evolved in different markets situation, a different trading regime externally and they had evolved in a context where the donors were not suffering from banana fatigue. All those factors and more conjoint into an overriding imperative that restructuring must be done immediately; both to the Association and to the Industry itself, and we must have a market driven industry. Now, the Leader of the Opposition put forward certain numbers and said that all these are part of the strategic plan by WIBDECO to reduce farm farmers from ten thousand to four thousand in the Windward Islands and in Saint Vincent from three thousand eight hundred to fourteen hundred. That is not true Mr. Speaker. WIBDECO and more particularly, Burney Cornibert, the Chief Executive Officer of WIBDECO had put forward some numbers in a general paper which he wrote, he had also put forward numbers in relation to what the industry will require to become competitive and the numbers which he put forward both in terms of the reduction of farmers were plucked out of the air and that was conceded. So that didn't form no part of the restructuring plan and secondly, the very numbers themselves for what would be required from the donor countries those numbers were also considered very excessive and he was asked to go back to the drawing board and nothing has been submitted since, but I could talk about what is happening here.

Mr. Speaker at the moment you have twenty-three hundred certified growers out of about three thousand, eight hundred, four thousand farmers, active farmers and then

you have another thousand or twelve hundred farmers out there out who produce bananas of a quality to be certified but because they do not have for example a shed, they are not certified, but they will become certified. So you are talking immediately about three thousand, three hundred, three thousand five hundred farmers will be certified so the fall out of the number of farmers you will have would amount more in the region of three hundred to five hundred rather than the dooms day figure of twenty-four hundred suggested by the Leader of the Opposition. And I think we need in this period in particular not to make points which may seek to have farmers panic because no one is being asked to leave the industry, none. But there would be some persons who historically have planted some bananas and who have sold who will not be able to meet the current market condition, but those are the farmers who are being assisted with a social recovery programme as you know in this House I had announced that there would be three hundred farmers. The latter part of this year into next year who would be put on the non-contributory age pension. An actuarial study has been done and I had so announced that at more than one forum. And we were proceeding on that basis, that those farmers would be able to get the non-contributory age pension while still continuing to engage in owner-count farming activity of a very small kind obviously. Unfortunately, Mr. Speaker, the mischief makers abroad in the land generated by individuals who do not want to see progress in the country and some who have not yet come to terms with the fact that they have lost power politically, either they themselves or agents acting on their own behalf particularly uncultured agents with a microphone who have impart, seized control of the New Democratic Party, they pushed the line that comrade is offering the non-contributory age pension so as to take away your land which Government had allotted to you. Well there is nothing further from the truth. On the contrary I am trying to make sure that those farmers get title for their land, something which the New Democratic Party Administration has failed to do. Those are the matters, which I am dealing with in this regard. Clearly it is part and has long been part of the strategic plan for the revitalization of the banana industry to increase yield per acre, to improve your quality and to cut production cost and part of that strategic plan too Mr. Speaker, involves cutting out the number of persons or agencies in the chain so that some of the functions could be performed more efficiently. And that is why in the new arrangements, and as pointed out in this Act, the Banana Growers Association would relinquish a series of functions and would concentrate on controlling the cultivation of banana and banana plants within the State, that is to say,

The management of the production, to promote and institute and undertake research and to take steps as may be expedient for the control or prevention of pest and diseases so they will take care and the banana association will deal with the leaf spot problem.

To provide for the protection and improvement of the banana industry which would involve advocacy on behalf of the industry.

To negotiate and procure the payment with banana growers of an equitable price for the bananas, the BGA will negotiate with WIBDECO for the price.

To assist and to act as agents for registered growers and to perform on their behalf services as may be determined from time to time.

This involves dealing with the management input assess account and input distribution. WIBDECO would buy in bulk for the Windwards, but the BGA locally, will still be responsible for the input distribution. So when it is said that the strategic plan is not reflected in a functional sense in the Act, it is not true because it is reflected in clause 3(2), which is what I read out this morning to Senator Shallow in answer to the question. And all those things are enunciated in that clause and then to go on to provide, on the advice of Cabinet generally, for the better carrying into the effect of the provisions and purposes of the Act, which is really to improve the banana industry and the banana farmers and do so in a stream-lined manner. And WIBDECO will be responsible for purchasing the fruits, reception and loading, marketing, research and development and bulk purchasing of inputs. There is a certain overlap in research and development between both because obviously the BGA cannot be oblivious to research and development, and that's where the distinctions are functionally and they are presented what we are doing in the BGA presented here.

Mr. Speaker, Honourable Members, and I want the farmers to know this and the point had been made at different forum and consultations. When you have the back to back contracts, the price which the farmer will get is likely to rise and estimates are that it may rise at current levels which are paid up to seventy cents per pound, so you may have a farmer who is inefficient at fifty-five cents but may become efficient at sixty. But the farmer has to supply what the supermarket want. If the supermarkets want the length of a finger of bananas to be no less than a particular length nor no more, you can't go and put in the pack some little fingers because they would not put those on the market shelves. So when they arrived in England WIBDECO has to incur the cost of the repackaging. Because what is wanted here now, Mr. Speaker, is when the commodity is purchased from Saint Vincent and the Government or any Windward Island it will be packed in accordance with specifications of the market and you sell that, you provide that, what you have contracted to provide, and you will get a good price because there is a place for Windwards bananas in the market place that has been repeated several times over.

Mr. Speaker, so it is important that we understand the facts and get away from the dooms day scenario. The Leader of the Opposition asked if it is a fact that financial and technical assistance will be given to farmers only who are targetted. There is no plan to target any particular farmer save and except to ask farmers through the BGA to provide bananas in accordance with a particular contract. If you are not certified you will not be able to be in the market place, but as I have just indicated we are likely to end up and I have been so advised by the Ministry of Agriculture with certification for about close to thirty-five hundred farmers. And that's the reality and will be in the market place, but if they decide not to produce bananas they can produce something else and in this context Mr. Speaker, it must be remembered that 80% of the banana production in this country is produced by 20% of the farmers. Surely, the Leader of the Opposition would not wish the BGA to provide financial assistance, nor will he ask the Government to provide assistance to a farmer who patently is a bad farmer and is unlikely at all to become a good farmer, you will be throwing money down a hole. It is better that you give such a person if he is between 55 and say 71 years of age a non-contributory age pension and allow him to produce fruits and vegetables and whatever else he wants to produce and if on his acre of land he wants to produce fruits and vegetable he can sell them to the marketing board and I want to say Mr. Speaker, that just this week, the week gone here on Friday I had a meeting with the official from the Ministry of Agriculture discussing in detail a hands on approach to the diversification of Agriculture, not a theoretical one and on Monday, yesterday with the Honourable Vincent Beache, the Director General of Finance and the Fiscal Adviser, we sat with those same officials and the Leadership of the Marketing Corporation to discuss among other things the produce section and we have a proposal which will be coming to Cabinet for close to quarter million dollars to be put to the enhancement of the produce section of the Marketing Corporation. So whilst we are looking at bananas we are looking at the connections as to where there may be some fall out of the new market situations those persons will be taken care of. And I come back to where I started Mr. Speaker that if we do not restructure in a sensible scientific way now it should have been done before, the entire industry will go down in the year 2006 because the bad farmers will take the good ones down with them. And therefore Mr. Speaker, these facts must be spoken with clarity and these issues were canvass at the consultations. I don't know why the Opposition does not give the Government credit for instituting these consultations.

Mr. Speaker and the way we work you know last Thursday I delivered a speech of an hour and twenty minutes in the morning from 10:00 O'clock work the whole day at my office and then by 5:00 O'clock I was in Chateaubelair with a consultation on bananas, that is how this Government works and at that consultation was the two Ministers in Agriculture, the General Manager of the BGA, the Chief Parliamentary Counsel and other persons from the Ministry of Agriculture and other Ministers of Government were

also there. That how we do our work and that's why we are getting results and we moving and we making changes in a thorough going manner where hitherto there was mere tinkering.

Mr. Speaker, the European Union Donors made it plain that until they see clear changes in the industry, organizationally and strategically they are not putting any more money into it. Every meeting I have attended since I have been elected to this office, one of the things which they come back to what happened to the banana trust fund which is recent monies. Farmers being lent up to one hundred and thirty, one hundred and forty, one hundred and sixty thousand dollars. That money in many cases not ploughed back into the industry and that is part of the indebtedness of the Association. Mr. Speaker, \$30 million in debt plus the severance payment, you put that you reach close to thirty-two. We were left close to \$30 million debt and every month I have to give the authorization for five hundred thousand dollars to subsidize the banana industry to keep the farmers whom Senator Shallow rightly care about but I have the responsibility to find the money every month, five hundred thousand dollars, that's the reality. But I am prepared to do that because I know there is a restructuring plan organizationally and strategically in the terms, which I have outlined.

Mr. Speaker, the donor community is prepared to give us some money for social recovery broadly defined and they said to me, find what you can find from the existing monies of Stabex, we will agree to a reasonable reallocation of monies. And I have been through the exercise with the officials in the Ministry of Finance and Planning, item by item which is available in the quote and quote "local pool", I am not talking about the Brussels pool, and I have found \$10 million. And when Mr. Callagou comes to see me on Monday, in fact, I called him during the lunchtime after I patronized the food fair; I went to my office because the matter is on my mind. Unfortunately, he wasn't there, but I spoke to someone else; he is coming here on the 22nd and this and other matters would be discussed. I am hoping that we will find some in the Brussels pool not yet allocated but which we can shift the allocation. And we have to do things to show that we are moving, that we are restructuring, that we are serious. I hear the issue being discussed about the kind of transport, transporting the bananas. Mr. Speaker, that is a matter, which concerns me very much, and I am very concerned about the mini-bus operators, not the mini-bus, the pick-up operators. I am concerned about the mini-bus operators too because we have to do something with the noise on the buses and the bad words which are being spoken by the mini-bus drivers. But that is another dragon I am going to slay, and I will be unpopular among vulgar and worthless people, but I know right thinking people will be with me. That is another dragon I am going at.

Mr. Speaker, the donors have made it plain that they are not putting any monies unless we restructure organizationally and have an appropriate strategic plan, and transportation comes into the play. I am concerned about the operators of the pick-ups and the smaller vehicles. You know in Martinique, in places in Central America and South America, the banana is packed in containers in the field and taken to the ship. Some are sent by other modes of transport, which are very cost effective. If you are going to go to a system of polarization, and let us understand this, the plant which is built by E.U money going out by Mt. Bentinck, Langley Park unto Rabacca to aid with the polarization system. That is something from the last Administration. But if you are going to polarize and you want to move the pallets straight from the truck into the hole of the ship, how are you going to do it on little pick-ups? We want to save the industry or we all want to go down in the year 2006? But that is a concern that we have to try, and the Government has to try and address with sensitivity, because I appreciate the point that Senator Shallow is making; but you cannot be demagogic about it, you cannot be, you have to be analytic and I notice that there is a disjuncture between the position of the Leader of the Opposition and Senator Shallow. He said he cannot support the Bill, he cannot support the Bill, the Leader of the Opposition is very careful. He said, his support for this Bill is contingent upon some of the answers, which he gets to some of the queries, which he raised. And this is why respecting the former Prime Minister, current Leader of the Opposition I arose to speak to answer some of your concerns and to answer them in a manner which would get all party support for this Bill, but of course if we do not all party support in this particular time, the general public will decide what is happening because right thinking people are out there.

Mr. Speaker, there are aspects of the Bill which we need to tidy up and we will do so during the Committee Stage. Some phrasing, some punctuation, that happens inevitably in these Bills and particularly one like this which has gone through the extent of the consultations and I have seen a document sent by a former Attorney General, my colleague former member of this House, Parnell Campbell and some of the rewarding suggestions here and there, I think they provide a little more elegance than perhaps obtains one or two areas of the Bill. But that is quite natural between people, lawyers looking at a drafting. And it is unfair Mr. Speaker and inaccurate to say that this Bill gives no support, no role for the farmers.

Mr. Speaker, in my speech on the 13th September, I made the point that on Sunday August the 12th at a meeting chaired by me with the Board of Directors of the Banana Association and the Banana Advisory Committee, the Board agreed to its dissolution on the conditions that farmers be represented at any interim committee for the restructuring. The meeting agreed to the formation of a fifteen-member committee. This is a meeting of farmers you know, not of me, not of Senator Shallow, on a

Sunday that is to tell you how we have been working. Meetings upon meetings we have held in this matter comprising the five elected directors who are there from the former board. We have given the assurance that the five of them who have been elected, they will be part of this new advisory committee. And then, we will have eight persons who are banana growers; five of them will be from the elected members. Do you know that many of the consultations we have been to that farmers saying they do not want any farmers on the board. They have said that, some farmers, but we have come to an understanding that there will be. The five elected members on the outgoing board will be on also this board so there will be the five of the eight banana farmers, then there will be three other banana farmers plus four other persons, one of whom is a trade union representative someone who is..., the trade union which is functioning the banana industry. That is a new provision not there hitherto, so you are going to have fairly broad based of civil society. The Chamber of Commerce is going to be in addition to two State Representative, the Chief Agricultural Officer and the Director General of Finance and Planning.

Mr. Speaker I am winding up. I want to recommend with all honestly and sincerity to this Honourable House this Bill and as I have outlined there is a strategic plan, the central elements I have discussed. I have spoken about the difficulties in which we are in the industry and these difficulties are well appreciated by the Leader of the Opposition. This is a measure, which may well be an interim measure for a year; it may be for two years. We may have to come back here and fine tune because what we are facing in the external and the internal in the banana industry is a very dynamic process and it is changing with rapidity and we have to respond accordingly. I represent the Constituency in this country with its largest number of certified banana growers, 40%. You want to tell me that as the representative for North Central Windward and as Prime Minister I don't have a major say in how a Board should be constructed for an industry of this kind, Is that not a reasonable position to take? Because I have been put here through the imperatives of democracy. I want to urge the Opposition to reflect on what I have said here, for us not to war on this measure, but to put our hearts and hands together to work to its fulfillment, because if we do not do that and this is now not just an invitation it is a political warning to the Opposition that you will suffer a faith worse than what you suffered the last time because the farmers will see who are keen on restructuring and which party has a plan. I asked you in the light of the reasonableness and I like the open-ended way in which the Leader of the Opposition presented his speech, made his presentation. Raised critical questions, asked for answers, but is fully appreciative of the problems with which we are confronted and I am hoping that I have satisfied the Honourable Leader of the Opposition and other Members on that side of the House in relation to the accentual questions posed and also to immediately make the concession that there

are stylistic areas of the Bill which we will certainly have to change in the Committee stage of this House. I am obliged.

HONOURABLE MR. SPEAKER: Honourable Senator St. Claire Leacock.

HONOURABLE MR. ST. CLAIRE LEACOCK: Mr. Speaker, I crave your indulgence as a new kid on the block, trust that's not a borrowed phrase [laughter] that I was not as strut enough this morning to take the cue when I should have said a few words on my own behalf following the congratulatory references. I simply wish to say at this time Mr. Speaker, Honourable Members, to God be the glory, to God be the glory...

DR. THE HONOURABLE RALPH GONSALVES: Great things he had done.

HONOURABLE ST. CLAIRE LEACOCK: and I thank very much the Honourable Prime Minister and my own esteemed and trusted friends taking an evening nap, Minister of Works, for a very kind sentiment. Indeed as I look across the table Mr. Speaker there are many friends there who are close at heart and we go back a long, long way so in some respect the division in the Parliament is artificial. That said Mr. Speaker, however I rise at this time pretty much in the vein of the Leader of the Opposition to ask questions to seek for clarity and to recognize that in the triumvirate of banana speakers on the other side it might be appropriate that we speak this time so that answers can come perhaps later from the third member of the triumvirate. If you permit Mr. Speaker, I start first with a few important observations of the Honourable Member for South Central Windward and quite rightly he made the point Mr. Speaker that today we are witnessing the making of history, but I caution the Honourable Member that everything historic is not necessarily positive. Particularly, his reference to the September 11 bombing of the World Trade Centre. In fact his mathematical calculation that we have moved from September 11 to today to a crisis in the industry while correct on further analysis will reveal that there are some differences by which he and the Honourable Prime Minister recognize the importance of a market driven economy. In the first instance, the September 11 incident has brought us to an economic crisis by virtue of the fact that our industry has suffered from what the economist among us called an external shock. That is, by virtue of the nature of the industry that we are in without domestic linkages whatever happens outside immediately an impact upon us as indeed has happened. The Prime Minister rightfully concludes that we are also market driven but by another route. The fact that the regulatory framework in the international and often hostile marketing environment has created challenges for us which because of certain liturgies in our economic arrangements in these small island states still leaves us vulnerable today.

That said however Mr. Speaker, I do agree with the Prime Minister that we must take cognizance and move steadfastly to a market driven approach in finding solutions to the challenges that present our market or banana industry today. Having said that however Mr. Speaker, I have to continue to make a few observations by the Honourable Member for South Central Windward. He spoke in terms of the BGA for a need for down sizing, he recognize the BGA as being characterized by very huge debt and he concluded that it was left to the good will of the Government to arrest the situation or bring it under some degree of control and I found it particularly interesting as well Mr. Speaker, of his reference repeated on a few occasions that in many respects, there are elements in the banana industry who can only be described as a social club. But Mr. Speaker, the balanced sheet was always balance and while it is true that today the banana industry is in turbulent times let us not forget that this society of ours has been built on the backs of very, very many banana farmers, our willing folk included. And to a significant extent Mr. Speaker, the quality of life that we enjoy today is a consequence of the history of yesterday and the very strength of the E.C dollar that we speak addresses that question. So in large measure many of our farmers may well have paid their debt and history may well eventually be the best judge of the contribution that our farm community have made to our beloved Saint Vincent and the Grenadines.

I say that Mr. Speaker, not to take away from the urgency of the problem that is before us, but to caution for the need for objectivity and for us to maintain a reasonable approach, a compassionate approach in how we deal with all of the stakeholders in the industry today. So I do agree with the Honourable Member Mr. Speaker, that we must proceed to operate the industry on commercial lines, but in that same breath Mr. Speaker, I bring to the attention of the Honourable Member and our Honourable Prime Minister as well Mr. Speaker, that the operation of a Business on commercial line often depends upon the structural arrangements that are put in place and the quality of power relationships that exist between the parties that must deliver that business plan. So Mr. Speaker, we ought to be mindful and I am sure that the Honourable Member is when he identifies the need to have within the industry good and sound financial management, careful management of the revolving fund etc. and remind the Minister and indeed other members on that side of the House that professional management required to the level this kind of expertise could be hamstrung or compromised if the kind of command and control structure that we are attempting to put in place is not very carefully looked at and I will speak about that in greater detail as I proceed.

Mr. Speaker, I am happy that the Honourable Members on that side have come to recognize the importance of WIBDECO as a marketing partner in our new restructuring drive for the banana industry and I endorse and support their call for cost

effectiveness and for reducing other inefficiencies within the system. However Mr. Speaker, we have to look very carefully at the fact that in attempting to establish a plan for this industry, we have to recognize that on the one hand we are attempting to pull together desperate institutions such as the BGA, WIBDECO, the Assembly of Growers and to some extent while it is a part of, at times it appears also to be a part from, I am speaking here now of the banana action committee, we have to find mechanisms to pull all of these important stakeholders together in a cohesive plan. Equally Mr. Speaker, we ought to look carefully at the Act and determine the extent to which important individuals in the exercise are properly brought together again with an action plan and in a structured and measured manner that allows for effectiveness and efficiency. I speak Mr. Speaker, particularly in recognition of the fact that Cabinet has a role, the Minister has a role, the Chairman of the Banana Action Committee has a role, the General Manager of the Banana Association has a role, but they all have different reporting relationships. And it would appear to me at times that we can lose our way in the way that the Act sometimes make reference to the individual roles if we are not careful and so Mr. Speaker, I would go through a few of the clauses of the Act essentially for discussion Mr. Speaker to see how best we can improve on our change what is there.

Mr. Speaker I approach this discussion therefore from the fact that the banana industry is far too important to the fundamentals of our society to plan political football with the subject matter. [Applause] Mr. Speaker, let us proceed along this journey just that little bit to see where we can improve on clarification. Mr. Speaker, there can be little doubt as to the importance of the industry to Saint Vincent and the Grenadines that's a given, but on the one hand we are speaking about industry, but as we go through the Act there is not a mention of the work 'industry' in a functional sense. There is a concentration on the constituent elements. We see therefore references to the BGA, references to WIBDECO, references to the Action Committee, references to the Assembly of Growers. In fact, on the interpretation page, the very word 'industry' so central to our discussion and purpose here this evening is not even identified and mentioned and that is important because if we do not tick the bigger picture of the industry, we run the risk of being short sighted in our analysis and arrive at short term solutions because indeed the banana industry involves stakeholders even beyond those identified in this Act and raised for discussion thus far. Mr. Speaker, I suggest to you, to this Honourable House, I'm sorry, that this clarification must be addressed soonest if we are not to make fundamental errors in our conclusion. Let us Mr. Speaker for example identify some important features of the role of the foregoing actors, mainly Growers, Minister, Chairman, General Manager, Chief Agricultural Officer. We know, as we would expect that the BGA for example is a body corporate. Indeed that is how it should be and I look for advice in this regard from the Honourable Attorney General present here this evening. Because much later Mr. Speaker for example in the Act in

making references to social security provisions for people in the industry. It is contemplated for example that we can move people from the BGA to the Public Service and back or punching arrangements could be worked back and forth. I am not so sure, not being a lawyer, of the ease in which we can move people from a BGA, as a Statutory Entity to the Public Service because I will contend that if one employed in the Banana Growers Association argued that he did not sign a contract to be a member of the Public Service it can present us with legal challenges.

DR. THE HONOURABLE RALPH GONSALVES: Just clarification. There is a law on the books called "the Public Officer's Transfer to Undertakings Act" Chapter 2(10) and that Act permits precisely this. This is something longstanding and it exists in all the Caribbean country and indeed in all countries. I just want to make that point in terms of what my Honourable friend speaking about. It is in fact a statute governing that relationship already, so we don't have to spell it out in the Act.

HONOURABLE ST. CLAIRE LEACOCK: Thank you very much Mr. Speaker, Honourable Prime Minister and I am sure that the Honourable Attorney General and the legally trained minds on the other side will in fact indicate that the noted case of Smith vs. the Attorney General of Barbados is no longer relevant in the context of Saint Vincent and the Grenadines and having said that I move on.

What is the major function, we may ask Mr. Speaker, of the BGA as set out in this Act? I would submit to you that it is essentially the function of controlling the cultivation of bananas. Perhaps nothing is wrong with that, there must be a need for a control function. But we all know that the BGA does not own or produce single banana even though it sets out to control it and that presents certain sets of challenges for people who must manage the industry, their authority, their credibility may be called into question. What we recognize is that the BGA will control the industry essentially through clause 2(a) and 2(d) which speaks to the question of who can cultivate and how price will be determined in the industry and so on and so forth. But Mr. Speaker, in defining the substantial role of the Banana Growers Association, I do not see mentioned an important variable, which brings us to the challenge that we are discussing here today and that is the word 'quality' and 'quality control' because indeed the survival of this industry restructured or otherwise will depend on our last measure to which we can produce a quality banana and I submit Mr. Speaker that it ought to be a core responsibility spelt out in no uncertain terms that the industry sets about today with an emphasis on quality in contrast to where we perhaps were a few years ago where it was sufficient to produce as much bananas and sell, sell, sell, quantity in a sense were the order of the day. We ought to differentiate this BGA from previous BGA's with an emphasis of producing quality bananas as one way in which we as a

small island state can create a niche, a presence indeed an advantage in the global market place.

Mr. Speaker, I bring to the attention of the Honourable Member of South Central Windward that as we speak about a banana industry...,

HONOURABLE VINCENT BEACHE: Mr. Speaker, on a point of order.

HONOURABLE MR. SPEAKER: State your point Sir.

HONOURABLE VINCENT BEACHE: 36(4) states, Members shall be referred to by the names of the electoral district for which they have been elected except Ministers who shall be refer to by the portfolios, which they hold.

HONOURABLE MR. SPEAKER: Point taken. Honourable Senator Leacock I think you make the adjustment.

HONOURABLE ST. CLAIRE LEACOCK: Mr. Speaker, I thank you very much and I assure you that as soon as I get my own copies of the rules of the House

HONOURABLE VINCENT BEACHE: You got it already.

HONOURABLE ST. CLAIRE LEACOCK: you will find a substantial reduction of these protocols and administrative procedures as I recognize my point on the learning curve.

HONOURABLE MR. SPEAKER: So you have not received a copy of the rules?

HONOURABLE ST. CLAIRE LEACOCK: Not yet Mr. Speaker.

HONOURABLE MR. SPEAKER: Okay we should help you get one.

HONOURABLE ST. CLAIRE LEACOCK: Thank you very much Mr. Speaker. The Honourable Minister of Agriculture, my apologies for not referring to you by Ministry. But I was making a point to you that apart from the focus that ought to be directed to quality in a restructured industry that we also have a responsibility not to be Anglophonic, not to be short term in our outlook, but to see what vertical linkages Mr. Speaker we can bring in the industry. It is clear to me that in the year 2001 as we speak about bananas we are virtually where we were in 1955, 56 or 25 years ago when I did research papers on bananas in the height of the banana war. We are still placing our emphasis on the primary production of bananas with little or no attention as to how we can proceed to build some agro-based industry around the banana

industry all be it that cost effectiveness will be critical and improving the value chain as we go along. So I say Mr. Speaker that we ought to seize the opportunity and to see how much more we can look and how much broader terms we can look at the industry in this regard. Permit me Mr. Speaker to ask the question to, whether or not we need, and I ask for assistance from the Prime Minister in this regard, to be very clear in the mandate that we are giving to the agencies, for example the BGA? We do not speak in specific terms of the Banana Growers Association having the marketing responsibility. We identify WIBDECO rightfully as the marketing agency largely because we see the BGA as a producing agent and we separate that and identify WIBDECO as marketing agent. But at the end of the day we can produce the world's best bananas, we can pack all of the quality inside of the bananas, there is still need within the BGA itself to have its own marketing intelligence, marketing sensitivity, marketing orientation so that it does not abdicate totally the responsibility of the marketing to another agency all be it a competent one in the form of WIBDECO.

Mr. Speaker, as we talk about the restructuring of this industry. It is really necessary that we satisfy ourselves that a mere replacement of the old board however carefully selected with a new committee a BAC automatically solves all of our problems. The Leader of the Opposition has made a point in his earlier presentation that we seem to have gone full circle. The previous donor agencies had advise for a more democratic structure that the banana farmers must have a say in their destiny and be able to nominate, elect or get people on boards to represent them. Today we hear from the Honourable House that they may have mismanaged themselves and that it is perhaps now too risky to put banana activity back into the hands of banana farmers and that we may be better advise from a Cabinet position, a Ministerial position, a Government position indeed to give guidance to who manages bananas affairs. But I want to say a bit more Mr. Speaker, about the BAC (Banana Action Committee) because to my mind, this can also constitute the genesis of our problems. And I am prepared to give the Honourable Prime Minister here the benefit of the doubt, since to some extent we are indicating here that this is an interim measure. One year perhaps, 18 months, two years, but a sufficiency of time to make a good judgment on the results that we are getting. But I raise this in the context to suggest that it is not very clear in the Act, Mr. Speaker, who runs things, whether it will be the management of the BGA, or whether it will be the BAC or we may take this lightly Mr. Speaker, but my corporate experience teaches me that invariably when the quality of the relationship between the policy framers, Boards of Directors, as you may call them, and executive management are not in sync we have a recipe for chaos. I have seen it repeated time and time again, where the Chairman is of the view or impression that he is the one who is in-charge and Chief Executive Officers are equally determined that they are the ones who is appointed to Executive Officer. And at times when one reads the Act you do get the impression, and maybe that might be your intension, that it is the Chairman of the BAC

who would in fact be the determining individual in the execution of the Government's policy. And if that is the way we want to go, we must make it very clear that the BAC Chairman will be an executive Chairman such that the General Manager of the Association will be in no doubt as to the relationship between himself and that body called the BAC. But as we go through the Act, Mr. Speaker, Honourable Minister of Agriculture, you would see that there is further continuation of the potential for confusion, because at times 5(2) for example seems to make clear that the BAC may on behalf of the Association do what is necessary and clause 9 goes on to say no action taken etc. etc shall be invalid. In other words, the BAC can take off by itself and do what it considers to do in the best interest of the Association. Is that what we really want? Or do we want to make sure that at all times the BAC and the Management of the BGA are operating in tandem. We notice too Mr. Speaker, that on occasions the Act seems to be comfortable with the Manager of the Banana Growers Association reporting directly to the Manager and on other occasions, it suggests that he should go through the BAC. And we are dealing with people who have emotions and are particularly sensitive and I will say to you at times that any board that is worth its salt would much prefer to understand that in the reporting relationship that the Chief Executive Officer of any entity goes through the Board as policy makers, to the Minister, and not around the Minister and directly, not around the board, sorry and directly to the Minister. We must be very clear on these lines of reporting. And this is complicated Mr. Speaker, by the Authority function in the Act. When you have a piece of legislation Mr. Speaker, that empowers the Cabinet to determine the appointment to Chief Executive functions in excess of three thousand dollars per month, thirty-six thousand dollars per annum we have a number of possibilities:

1. Is that individuals and or professionals who prefer to have their freedom of their professional practice may shy away from coming too closely in what they may consider to be political control or political influence. There's also the reciprocal possibility...

DR. THE HONOURABLE RALPH GONSALVES: But that didn't stop you to work at Vinlec.

HONOURABLE ST. CLAIRE LEACOCK: There's also the reciprocal possibility.

DR. THE HONOURABLE RALPH GONSALVES: that didn't stop you to work at Vinlec and that is the same point about Vinlec in the Law.

HONOURABLE ST. CLAIRE LEACOCK: Mr. Speaker, no legislation, no Act will deal with injudicious or unprincipled conduct. And those of us who want to insulate ourselves must understand that. But I make the point Mr. Speaker, that if a General

Manager is of the view that he owes his/her appointment to office by virtue of Cabinet or Cabinet approval he may, depending upon his level of professionalism be prone to disregard the Board as being of no consequence, and I speak with some experience as a young man. Seeing people already operating on Boards and assuming that you as a Chairman might have been in a position of authority only to find that the members have direct lines to the Minister or to a Mr. Who is who and can disregard completely the organization given authority.

So Mr. Speaker, I bring these observations to the wise with the hope and expectation that as the Prime Minister Says we fine-tune the legislation those who may be left initiated in the dynamics of organizational management will appreciate how good corporate Governance can be enhanced. We must however recognize in this regard Mr. Speaker, that in the restructure proposals that we are talking about, the General Manager is the individual with a degree of permanence by virtue of his employment contract. So speaks to continuity in short contrast to the Chairman of the Committee who is on a one-year tenure and depends for his reappointment on the extent to which he dispenses political directives. Mr. Speaker, I submit that the Act must take time out to clarify these issues. I earlier alluded Mr. Speaker, to the important role of the much maligned WIBDECO now arriving on the scene in Saint Vincent and the Grenadines as the saving grace to a restructured banana industry and I say, better late than never. In my earlier notes, I prompted to ask where is the WIBDECO report and I take the Prime Minister on face value that having shared with us on a number of occasions important clauses and sections of the WIBDECO report in the fullness of time it would be distributed publicly and I hold him to his word and I have every reason to believe that he would in that regard deliver.

Mr. Speaker, we on this side as have been stated before are extremely interested in ensuring that this industry survives, come what may. And it is important in this regard that the Government declares in their own minds as to whether in the banana industry we are setting about in the medium to long term to create another state industry: because we believe that at the Cabinet level, at the level of the committee we could have greater control and authority over the organization for which Governments investment is very risky at the least, or whether in the long term we are going to come to a position that to the extent to which the industry is controlled by people outside of the immediate control of Government. The better way maybe to go would be to a private sector industry; perhaps this might be a challenge for our own Chamber of Commerce, Employers Federation, other Private Sector Agencies. But I raise this Mr. Speaker, because there are considerable risks in the banana industry and the pace at which it has to change to meet the challenges of a rapidly changing and hostile international environment. That the Prime Minister Mr. Speaker, today understands the value of state capitalism I applaud and I feel fortified Mr. Speaker by what I heard

him said this evening that this industry must be sufficiently flexible to be able to respond to the challenges that may emanate from quarters that are completely outside of our control. And so Mr. Speaker, I say to the Honourable Minister of Agriculture, that in bringing before this House, a Bill for a restructured industry, we ought to see whether we can go a little further and improve some of the proposals before this Honourable House today because I believe the Prime Minister will agree with me, that ultimately what would determine our success in this industry is not the platitudes in the statements captured in the Bill, but by the quality of the collective leadership that is provided by all of the stakeholders in the industry. Those at the BGA, those in WIBDECO, those in the Banana Action Committee, those in the assembly of Growers and indeed the Cabinet itself, but Mr. Speaker, it begs the question, how do we bring these separate units, these separate bodies with a common interest together? How do we gain organizational capability? It may well be Mr. Speaker that there is need for a coordinating body, which captures the contribution of all of those stakeholders. It is not clear to me that the Banana Action Committee does that, since for example, we do not see a placement there for WIBDECO, a key marketing agent and example by the way. I would also say to you Honourable Minister of Agriculture that it is clearly not lost in you that at this time to proceed to restructure the banana industry that apart from it being market driven, it also has to be technology driven and I have some difficulties recognizing in the Act, anyway in which the industry proposed to take advantage of information technology because indeed that is the principal means, principal means of passing quality by which we can proceed to gain competitive advantage in the manner identify by the Honourable Prime Minister, that too Honourable Minister you may want to examine.

I also want to speak in closing Mr. Speaker...,

HONOURABLE MR. SPEAKER: You have 6 minutes.

HONOURABLE ST. CLAIRE LEACOCK: I also want to speak, in closing Mr. Speaker, to the question of cost efficiencies that the Leader of the Opposition identified, emphasized and repeated. And I raise it in the context that cost efficiencies do not drop out of the sky like manner. Cost efficiencies are a consequence of a number of things, but the important thing in that is the managerial competence for those who are entrusted to manage the industry. I therefore would like to see a reconsideration of the extent to which Cabinet would appear to have this great controlling hand, like the Prime Minister might say, like a great Laviaton, steering and directing perhaps micro-managing the BGA by ensuring that there exist within the framework mechanisms that encourages independence, professionalism, creativity and promotion of productivity.

Mr. Speaker, the Prime Minister was quite right when he alluded to the fact that 80% of the banana produced by 20% of the farmers, quite correct. Those of us who are schooled in this area refer to this principle as the paraito principle after the fame economist Alfred Paraito, which basically says that generally speaking 80% of activity as a consequence of 20% effort. If you look across the Honourable House, some people may be tempted to conclude that too, as 20% of the Ministers produce 80% of the work, but I am not here for controversies.

DR. THE HONOURABLE RALPH GONSALVES: I thought you were going to say now that you have arrived you are in 20% of the elite of the Opposition [laughter] I wonder how Friday takes that [laughter].

HONOURABLE ST. CLAIRE LEACOCK: Mr. Speaker, in the two remaining minutes or so that I have to contribute to this Bill, like my leader said we love the industry too much to mash it up, but we certainly believe that we are entitled to answers and for clarification and to be assured that we are not restructuring for restructuring sake, but in the Bill we are capturing those critical elements as those people in the management terms will say, all those key success factors that would breathe life in this industry and give us hope towards the new dispensation. I thank you Mr. Speaker. [Applause]

DR. THE HONOURABLE RALPH GONSALVES: Thank you for your support.

HONOURABLE MR. SPEAKER: Honourable Minister of State in the Ministry of Agriculture.

HONOURABLE MONTGOMERY DANIEL: Mr. Speaker, Honourable Members, I stand with great conviction that the Bill that is before us, which seeks to establish the restructuring of the banana industry is timely. As a matter of fact Mr. Speaker, personally, I think this should have been done long before. But knowing for a fact that as a new Administration we have just come to office and knowing what would have been taking place, I think that this Bill would assist us greatly, this Act would assist us greatly in terms of the future of the industry.

Mr. Speaker, I myself have been a farmer over the years. I have worked with the Bananas Growers Association for approximately 10 years and I also worked with the Ministry of Agriculture for almost 15 years and the present status of the banana industry warrants such action. Mr. Speaker, the banana industry for approximately 50 years, has served us well. While it is true that there is good potential for Tourism development, the banana industry has played a significant role in the economic development in this country and will continue to do so. Let me say the data has shown us that earnings from the banana industry up to 1992 within the Windward

Islands would have given to the Windward Islands approximately \$376 million while today figures are down to approximately \$164 million. Export production has shown similar trend, where in 1992 production stood approximately 275 thousand tonnes while today we are approximately 138 thousand tonnes. Mr. Speaker, such a situation is of tremendous concern. But we have to understand that Mr. Speaker, that before the year 1993 our main export market, which was the U.K we had a preferential treatment, but after the year 1993 our farmers had to face a competitive market and by 2006 the market place will even be much more different, therefore requiring immediate restructuring within the industry. I recalled as worker within the Ministry of Agriculture back in 1996 where a communique was given to the Ministry then indicating the position by the E.U by the end of 1992. And for seven years nothing has been done to give to the farmers any hope after 1993. As a matter of fact, when the single market hit us in 1993 we were very much unprepared. There was an immediate fall in price, there was stringent quality measure and there were at that time the challenge to the E.U regime.

Mr. Speaker, these actions no doubt brought about considerable changes and uncertainty within the industry. The changing atmosphere Mr. Speaker was so dramatic that the very survival of the industry was threatened. But by 1994 we saw a new entity coming into play, this is the new company WIBDECO. WIBDECO came on board with the intention to build capacity to strengthen the position of the industry. They were to assist in the reduction of industry cost. They were to assist in better management levels within the BGA, but what have we seen? There has been tremendous increase in production since then. And in all of the Windward Islands, all of the Chief Executive Officers, they were either fired or they left that institution, therefore, WIBDECO in its objectives and give us a very sad position. But Mr. Speaker, back-tracking a bit, in 1992 there was a symposium, a farmer symposium here in this country and the feature address was given by one CDB Economist, Arnhim Eustace and what was the objective or objectives of that symposium? Mr. Speaker, to motivate farmers towards increasing yield, to educate farmers about the new developments, to heighten farmers awareness about the market situation, promote quality consciousness. Mr. Speaker that symposium, we gained nothing practically from it. I also recalled, at that time I was working with the BGA and after the reduction that was experienced in 1992 and 1993 the Acting manager of the BGA at that time came to the staff and asked for a restructuring field plan which we presented to the manager. That plan had some cost in it and we tried our very best to source funds to initiate the plan. We were very unsuccessful. But I recalled the Acting General Manager then taking the plan to the highest authority of this land to the Prime Minister then of the country and the Prime Minister in an address to the nation at that time the same Arnhim Eustace, Economist at CDB was made special adviser on

bananas and was given at the broad-cast that was done, it was indicated that a Saviour of the banana industry was here.

Mr. Speaker that plan came into being and by 1995 there was an increase in production in banana but soon production started falling again. By 1996 Mr. Speaker, the Government of the day, they talked about restructuring and they came to this Parliament and changed Act 10 of 1978 to Act 30 of 1996 but practically Mr. Speaker, again there was very little direction coming out that Act. Basically the Act change the size of the board, change the number of directors and practically gave nothing in terms of the way forward for the industry. There was nothing to say who is responsible for, what direction are we going and how the industry is supposed to be turned around in the competitive environment ahead.

Mr. Speaker, Senator Shallow in his opening remarks indicated that he was speaking with great passion and concern. Apparently, it took the N.D.P 17 years to understand what is happening and to find some passion. But Mr. Speaker, this Bill that is before us today, I believe is not by accident and Senator Leacock indicated that the balance sheet must always balance. Mr. Speaker, I want to take you through a financial part within the last ten years of the Saint Vincent Banana Growers Association. In 1991 a very crucial year of the industry, cash at the bank was \$21.8 million. The overdraft then was \$5.1 million. By 1992 cash at bank was \$13.4 million, the overdraft stood at \$5.1 million. So those two years were very good years, it show that the banana association had money at the bank and very crucial years before 1993 a very critical year of concern to all of us. By 1993 the end of 1993 cash at the bank was \$5.3 million but the overdraft was \$9.2 million. By 1994 cash at the bank was 456 thousand dollars the overdraft stood at \$14.9 million. By 1995 cash at the bank was 844 thousand dollars overdraft at \$15.1 million. 1996 cash at the bank was \$4.5 million while the overdraft is \$15.5 million and the only reason why 1996 show so much cash at the bank is because of the implementation of the Stabex funds. 1997 cash at the bank was \$1.8 million the overdraft stood at \$12.6 million. 1998 cash at the bank \$4.3 million the overdraft \$11.9 million. In 1999 cash at the bank stood at \$5.7 million while the overdraft stood at \$13.5 million. By the year 2000 cash at the bank stood at \$1.2 million, the overdraft stood at \$6.8 million but there was a loan of \$10 million, which was reconverted from a previous overdraft of that year. So Mr. Speaker, you looking at a part of over the last ten years what has the industry been showing? and what has the administration then at that time been doing? Today the industry is in approximately \$32 million debt. Can the industry continue in this vein?

Mr. Speaker, we cannot as a new administration, we cannot continue in an organization where so many people depend on for their daily livelihood. The industry that so many persons in this country depend on in terms of putting food on their table

we cannot as a responsible Government continues in this regard. Mr. Speaker, I am appalled that the Leader of the Opposition is concerned of approximately 2400 farmers being thrown out of the industry, but I want to say to him already approximately 8000 farmers is already out of the industry and much more than that, the agricultural sector is in turmoil. I am not sure, whether or not, if the Leader of the Opposition made a critical analysis of the situation of the banana industry and the agricultural sector before coming to this Honourable House. It doesn't seem so to me. But Mr. Speaker, I believe that the banana industry has a future in this country and the Act that is before this Parliament will assist us in that regard. Operations at Langley Park have shown us that we can increase our productivity through better technology. There are farmers presently at Langley Park who have been obtaining yields of up to approximately 25 tonnes to the acre and given extension, credit and all of the necessary, I am sure that there are farmers who can meet the challenges after 2006. The supermarkets, they are the ones of whom we are targeting and the supermarkets are demanding of us what are the product types that they require, they are indicating to us how much in terms of volume that they want and I am sure that our farmers can take up the challenge.

Mr. Speaker, the Act that is before us is being drafted at the moment, the Bill that is before us is at the moment drafted in a way to be operational for one year and we are going to review that Bill after one year. And I am sure one year from now when we come back to this Honourable House with the assessments, History will prove us right. The Banana Action Committee is one that is very broad based. There are not only farmers on board, there are many, many other persons from the wider society that is on board on that Committee.

Mr. Speaker, WIBDECO too will be restructured in the new way forward. They cannot continue in the same way that have been doing over the period of time. WIBDECO was set up to assist the BGA's and to make them financially viable, WIBDECO will have to perform that task, they will have to perform that role. Mr. Speaker, this very important Bill will assist us in widening the base, widening the base for all of the stakeholders that are involved in the banana industry. Mr. Speaker, this Bill will make the banana industry one that is much more commercial and will bring better incomes to our farmers and our farm families. Mr. Speaker, I now wish an easy passage of this Bill through this Honourable House. Thank you very much.

HONOURABLE MR. SPEAKER: Honourable Minister of National Security.

HONOURABLE VINCENT BEACHE: Mr. Speaker, Honourable Members, let me first of all thank all those persons, farmers, members from the NGO community, businessmen, persons from the Chamber of Industry and Commerce and from the civic society who

gave of their time to come to discussions and consultations, realizing the important of restructuring this organization, who came, discussed, and arrived at conclusions. I think we owe them a debt and as such, on behalf of my colleagues here and the Honourable Prime Minister I am saying thanks for a job well done regardless of [applause] whether some people might feel it isn't so. I do not believe that the Bill was read, or if read, not properly by certain members of the Opposition. When the Honourable Senator Shallow stated about targeting people and targeting farmers, if there is one area of the Bill that was not touched was the area from the old Act dealing with 'the register of banana growers'. Let me just quote Mr. Speaker, what it says here in section 11(2), well I will start from 11(1), it says:

1. The Association shall cause to be kept a book with numbered or index pages to be known as the register of banana Growers and
2. An owner or occupier of land that has cultivated at least 3 roots, mats, shoots or banana plants may apply in writing to the Association to be registered as a banana grower.

Now these were the same numbers in the old Act and in the consultation some people were saying disqualification was too low, but we were able to convince them that we were not trying to throw any body out of the association [applause] because, as the Honourable Prime Minister stated, there are some farmers who produced very good bananas, top quality bananas. But certainly, there are conditions that must be met to suit what is demanded. I am going through what we have to do to supply the supermarkets and so on, but it is strange, as I was thinking back, at one time cotton was king, cotton is gone, then sugar was king, sugar is gone, cocoa was king, cocoa is gone, arrowroot was king, so why do we believe that in the existing changes that are taking place there would not have to be drastic changes, drastic restructuring if the industry is to survive and that is exactly what we are doing [applause]. In the 2 consultations that I attended in Georgetown and Marriagua, I was really the most surprised person when certain farmers were telling you, why do you want to have 8 farmers on the board and the committee? We don't want any farmers on the Committee and we asked the question, why? They said those are who wreck the association; wreck the industry because of self-interest. These are not my words, the records are there, but we said no, we feel that they are stakeholders and as such, they must play an important part and so I think we amended the BAC in one respect to bring in a representative from the Trade Union. So the, still 8 farmers will be on the board, but as the Honourable Minister of State in the Ministry of Agriculture stated we went through some \$22 million in six months and created an overdraft of another 5 and that is when 'Bucky' Boyea was calling for a farmer's bank. But if you would look back Mr. Speaker, Honourable Members, you would see that when the association

started to get into trouble was when we amended the Act here, 32 of, I cannot remember what it is, 32 of..., when we amended that Act to give the Banana Growers Association the authority to run the industry as they see fit, because they were clamoring for it. And I felt that they were able to manage the industry and manage it properly at the time and I have no doubt that this can be done, the farmers are not stupid they are sensible persons, but there is a little thing called self-interest that raises its head and as such the decisions that are taken are on bias decisions. 330 of 90, 1996 the Parent Act.

Now Mr. Speaker, the banana association, when the Government, it doesn't matter which Government has a certain level of control over it, you would not get it..., it was being run as efficiently and expertly as you would like; but at least it was a far cry to what happened after and I am making no apologies for that. We know what was happening with trucking, we know the scams that were carried out, we know the monies that were theft, these are not propaganda but we haven't seen anybody brought to justice. There is one time when the safe, money was taken out of the safe when only 2 persons hold the key to the safe, had to be one of them. I ain't saying who they are; they had to be careless or something like that. So to complain that Cabinet wants to run the Association, I don't think it is justifiable because Cabinet will run the Association.

You see Mr. Speaker, the provisions in this Act where Cabinet or the Association or the Committee will appoint managers or management, this is not anything new, it was in the old Act before the amendment in 1996. It is in the Development Corporation Act, it is in GESCO Act, General Equipment and Services Act, it is in the Saint Vincent and the Marketing Corporation Act, it is in the CWSA Act and it is in the Arrowroot Association Act. But I ain't hear nobody complaining or anything was going wrong with it, and they continuing under these conditions and doing better than the banana association which has a free hand. The Honourable Senator Leacock stated he hasn't seen anything about quality in this Act and of course he won't see anything about quality. But you know when you just make the team [laughter] and you go to bat, you must look and see how the ball is swinging before you start to hit out, because if you voping you would be caught.

DR. THE HONOURABLE RALPH GONSALVES: The captain should have put him to bat even lower down.

HONOURABLE VINCENT BEACHE: If you voping, you would be caught

HONOURABLE ST. CLAIRE LEACOCK: [inaudible]

HONOURABLE VINCENT BEACHE: that's okay, it doesn't matter you will make runs; the important thing is whether you make runs. Well I have been bating with a coconut bat for thirty something years and I still ain't out yet, I ain't get out yet [applause] so there is no problem there. But you see, I am sure if the Honourable Senator has spoken to the Leader of the Opposition, he would have told him that there is a separate and distinct Act that Governs banana quality and protection.

HONOURABLE ARNHIM EUSTACE: But it is the same volume.

HONOURABLE VINCENT BEACHE: in the same volume and in that Act it tells you about field packing etc, etc, etc, so you didn't have to put that in this Act because there is a separate Act that is dealing with it.

DR. THE HONOURABLE RALPH GONSALVES: He is swiping outside the off-stump.

HONOURABLE VINCENT BEACHE: And will be caught in the slips.

DR. THE HONOURABLE RALPH GONSALVES: He is swiping outside the off-stump.

HONOURABLE VINCENT BEACHE: He will be caught in the slips [laughter]. You see Mr. Speaker there is no question whether the Chairman or the Manager is going to have a free hand or whatever it is or whether it is going to be conflict of interest, why should there be? There is banana committee that is set up with 15 members. Now that committee, it is not the Cabinet, that is going to appoint the manager or the members or management. It is the advisory committee that is going to this, because Mr. Speaker, let me tell you what it says:

Appointment of General Manager: the Committee shall upon prior approval of Cabinet appoint a General Manager of the Association and determine the remuneration terms and conditions of its service. Is not Cabinet that is doing that, all it is saying that you must get Cabinet's approval. Now you have this in the Civil Service, you cannot appoint a Permanent Secretary unless the Prime Minister agrees, the Constitution says this. So you are saying that a measure that is in the Constitution should work for the Civil Servants, but a similar measure should not work for other persons who [applause] are not Civil Servants. That's what you are saying, that is exactly what you are saying.

DR. THE HONOURABLE RALPH GONSALVES: they didn't read the Act man, they didn't read the Act, they didn't read it.

HONOURABLE VINCENT BEACHE: So you have to write, Cabinet cannot appoint the persons, Cabinet can refuse who you appoint but they cannot appoint.

HONOURABLE ARNHIM EUSTACE: You are splitting hairs.

HONOURABLE VINCENT BEACHE: No I am not splitting hairs. We have had that sometime ago where I think the Public Service Commission wanted to appoint somebody and the Prime Minister (not our Prime Minister here now) I think was Prime Minister, Mitchell decided no, and there was in past because he couldn't say who to appoint it means that PSC had to go back and get somebody that the Prime Minister will approve, that is all you are asking. Because what you are telling me, you want the Committee to have the right to appoint somebody as General Manager who might be shady. Well Cabinet is there to oversee that so if you feel that the guy would not be proper, you say no, that is all that it is saying.

DR. THE HONOURABLE RALPH GONSALVES: We long stop him.

HONOURABLE VINCENT BEACHE: Yes, exactly,

DR. THE HONOURABLE RALPH GONSALVES: We long stop him.

HONOURABLE VINCENT BEACHE: before the damage can be done, that is all you are doing and the same thing exist with other staff of the Association. So it is being dragged out Mr. Speaker as though we are going to tell the Committee that you must appoint Jane or Joan or whoever it is, it doesn't work that way. But we have an oversight Committee, that's what it is, so that if you know somebody has a bad record or the Committee might not know and then I think the Honourable Leader of the Opposition had raised the point about where Cabinet is going to get the time to see this and so on, but you see, we do our homework. There is a monitoring committee on public enterprise; it is not only banana that has been set up and that committee comprises the Prime Minister as Chairman, the Deputy Prime Minister, the Minister of Public Service, the Director General of Finance and Planning, the Fiscal Advisor, the P.S Public Service, the Manager of the National Commercial Bank and the Auditor of the National Commercial Bank for a very good reason because most of these Statutory Corporations are getting their funds through the NCB, therefore, they would have an input. And this Committee must send in a monthly qualitative report plus monthly financial statements and once per quarter they will meet. One or two or three of them will meet with this committee to bring them up-to-date and to answer questions on what is happening, that is how we are going to monitor it. So it is not put in and is just left on its own because there is this monitoring committee, you see Mr. Speaker, good governance is right, I remember sitting over there and I am sure that the

Honourable Leader of the Opposition would remember begging that concessions not only be given to pick-up because they will only have one tonne and a tonne and a half that we knew we were going into palletization and I even said if you didn't even want to give the larger trucks the 75% concession, prorate it [applause] say 5 tonnes you give them 50% and 7 tonnes you give them maybe 40%.

DR. THE HONOURABLE RALPH GONSALVES: Neither his successor.

HONOURABLE VINCENT BEACHE: But we knew at the time and I had a pick-up never got a duty free concession on it so let me make it quite clear. But you couldn't put a pallet on the pick-up a few persons tried it and nearly ended up dead. So we knew this was coming, but the Government at the day encouraged it by only giving the concessions to the one tonne and the tonne and a half pick-ups. So the people who had the flat bed had to pay full for them and that created a further problem in that, they couldn't afford to buy a new 5 tonne or 7 tonne flat bed truck which will cost nearly in the order of \$150 thousand. So they bring in the skettels and they day after day, week after week you would see some of them broken down on the roads creating more problems apart from the environmental problems, creating more problems for the association. Shortsightedness, now we are hearing that the people with the same pick-ups wondering what they suppose to do with them, run them.

DR. THE HONOURABLE RALPH GONSALVES: Sir Vincent they want you to deal with them.

HONOURABLE VINCENT BEACHE: Yes, I would.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, I think I need to be of a little clarification. I think the Honourable Minister is well aware of the issues that were involved at the time, particularly the fact that this would provide, if you give to 3 or 4 tonne trucks at that time, you would be giving concessions in respect of the banana industry trucks while you have a number of other truckers in and around this country who would not be getting that concession. So you are providing unfair competition for those persons in that area. If in today's environment you want to get some very large trucks which are not in that same category, that's a different matter and I think the Honourable Members are well aware of that.

HONOURABLE VINCENT BEACHE: Mr. Speaker, that was true that was the excuse that was given. [Laughter] But what I am saying, those persons who have pick-up trucks wasn't that unfair advantage too. They have a lot of them taking barrels from customs and doing all kinds of other things you know. But you see that is where we have to balance what is happening, because I did ask the question if I remember

rightly at the time, was there any study done to find out the number of trucks that are in the banana industry and those that are not. So that you can quantify it and you could work some measure out. So that created a problem Mr. Speaker. Now, we knew all along since 1994, 85 that there would be changes coming. We waited and waited and before the Honourable Leader of the Opposition came into this House, I remember the Prime Minister Mitchell telling us that this status quo remain, we will always have protection because he said Prime Minister Margaret Thatcher give him that assurance. I remember well and if we go back to Hansard we will see it there. I asked him if Prime Minister Thatcher would live forever. I further asked him, I say this is politics, how you sure that Prime Minister Thatcher would be there next year? I was very prophetic it seems because within the year Thatcher was no more Prime Minister. I went even further to say that Britain was only one member of the European community, at the time I think it was 12, and out of 12 in this political situation there are a whole lot of trade offs and if it means sacrificing us for Britain to get something that they want you cannot blame them for doing it and they will do it. I have to admit and thank the British that they did fight very hard to try to keep the protection going as long as possible, but we knew all along that there will come a time the ball is going to drop in somebody's hand and we have to catch it. It is too late now to go back and I am not going to deal with recriminations, but the position is you cannot continue to subsidize the poor farmers and there are a whole lot of them out there you know. Once they realized that they have to do better will do better, but once they understand that they can continue to milk the cow and get milk instead of blood they would not do anything better. We understand, and as Government we don't want to create unemployment, but again you have to balance what is happening, is either you are going to take these steps now and maybe keep the industry going, keep directly some 34, 35 hundred persons in work plus the workers they employ or the industry will fold up and leave you with nothing. And the Honourable Leader of the Opposition did speak, make a point there, that if we cannot ship bananas to England it is going to affect our imports coming to Saint Vincent seriously from England and from Europe. I remember the days when you had shipping lines you were told you going Saint Vincent in September and you never come in until November, because as the pick freight that is more lucrative to them, they will travel all round the place and deliver those freight until they have time to come to Saint Vincent. At now we have a weekly shipping arrangement, not only..., I don't think we took advantage of selling our agricultural produce when WIBDECO succeeded WINBAN this was suppose to be a Planck on which it was suppose to trade. So far I don't know if WIBDECO has ever traded one pound of anything and I am subject to correction. At least before the Marketing Corporation deteriorated into the state that it is, we shipped through GEEST, a lot of other agricultural produce to Britain. Very viable and vibrant industry going, I remember mangoes and the profits on mangoes used to be high and we use to use the profits from mangoes and sometimes the supermarkets subsidize other produce so

that farmers can have enough, make enough on their lands to make a profit. Otherwise, you know what it is, it's competitive and if they see somebody growing eddoes and eddoes is making everybody want to do eddoes. But we did this and it worked successfully, now we have come full circle. WIBDECO is taking over or is supposed to take over the port operations, I think physically they have taken it. As far as I know, I understand that for the past two weeks the association may be still paying the workers there; well that is something that can be adjusted I have no problem with that. But the association must be leaner and stronger, must be more efficient and they have to cut back staff regardless of what you say. You know I have always questioned at Board meetings the need for a financial comptroller in the Association and the need for other staff members. Now I can understand Coreas needing a financial comptroller because they deal with insurance, they deal with shipping, they deal with cement, they deal with a host of things, ACE Hard-ware, tyres, cars, everything, but when the Banana Association only had an Accountant they never had any problem you know, they never had any problem. But they were making money and so we kept the Accountant and also employed a financial comptroller and would think if you had a financial comptroller, it would be that the financial comptroller will control the finances, but it was never so. We must down size, there is no doubt about it. The system that is expected to be in place is that the bananas would be selected, inspected at the plants like the one we have in Rabacca, put on trucks and instead of going into Geest where they have to be off loaded again and so on, they would be palletized they would just go straight on the pier and the ship's crane will off load them into the ship's hole cutting back a lot of middle work. And we've been asking for this for years, but nobody wanted to do it. So you have to box in the boxing plant, load on the truck, inspect at Geest, off load at Geest, palletized at Geest, moved to be stored and when the time is right you move them again to take them to the Ship, now that's too much handling and it is costly. So this is an operation now that the farmers would have understood and they have to make it work. I am told that with the tissue culture plants and with the new system of plant what they call identity planting that one person up in Georgetown is getting something like 50 tonnes to the acre well we not even asking for 50 tonnes, if we can get 50 tonnes good. If we can get 50 good, so it can be done but even though this has been proven you still having farmers telling you they are not going to do it, they still want to continue with the old ways. But if they continue with the old ways, they will find that they are not going to be able to keep it up for long because they would not make money, they would lose money because part of this restructuring is that the association is not going to be a lending agency anymore that you would have to buy your inputs and you would have to do whatever it is, whether you have to borrow money from the bank or whether ever it is to have it going and when you do this and you realized that you have to pay back the bank then you will make greater effort to try to make the system more efficient so that all concerned would benefit.

Now you know Mr. Speaker, I will like to go back, we are the only country I believe, I don't think happens in St. Lucia or Grenada or Dominica, we are in this mess. Part of the reason we're in this mess, high cost of production is that is the 1974 or there about when the 'juntar' Government was in office and election was eminent when that Government was brought down on a vote of no-confidence the wages councils were asked to meet and instructed to increase wages that in itself was not bad. But I don't know of any other country and again I am subject to correction where you have agricultural workers working from 7:00 to 12:00, now in the Act it says 7:00 to 1:00 but that was a ploy and I will tell you why it is a ploy. The culture in Saint Vincent is that everybody goes to lunch at 12:00 O'clock and when somebody comes to work for you at 12:00 O'clock and they say they hungry, and if I don't get food I cannot work anymore, but they only suppose to go to 1:00 O'clock, so you go to lands at 12:00 O'clock and that's the end of your day's work and I remember making the point in this Honourable House that you have persons working with Government on the roads. They have to work from 7:00 to 4:00, but you have persons working in Agriculture, they only work from 7:00 to 11:00 some of them would go to 12:00 O'clock. So your cost of production all these are factors that increased you cost of production and when we asked that workers be paid on an hourly basis they came with a compromise with so much per day and you work that out on the day by 8 hours or whatever it is or 5 hours and they say is so much per hour, so it still didn't make any sense. That is what you see we are suffering from here now, because you not getting a fair day's work for a fair day's pay.

Mr. Speaker, I do not see how this Act cannot have an easy passage, I really don't. It is an interim measure, the farmers control the Association for a number of years and no one will rightfully say that they have done a good job. I said it openly when some farmers maybe with their own self-interest was saying that the Association should continue to elect the Board and should appoint management and so on, I said I have no problem with that. But then pay off the debt, pay off the overdraft and get money to run the Association, because you cannot expect that any right thinking person will be committing what might be tantamount of crime knowing that we have done it before, that you would write off the debt, want to start from a clean sheet and would want to put it back in the hands of those persons who wrecked it before. Then I think that would be a large degree of stupidity and irresponsibility. Once we are prepare to work together to ensure, as the Minister of State in the Ministry of Agriculture stated, there is going to be a restructure in the WIBDECO to ensure that WIBDECO does what is it was supposed to do, to ensure that the farmers get a greater return on their funds, to make sure that we can continue to supply the supermarkets for what they want because you know in fresh Agricultural produce it is not like manufactured goods. If you can...,

HONOURABLE MR. SPEAKER: 6 minutes.

HONOURABLE VINCENT BEACHE: 16 you said Mr. Speaker?

HONOURABLE MR. SPEAKER: 6 minutes.

HONOURABLE VINCENT BEACHE: Thank you, I'm obliged. If you canned a tin of peas, it can last for years, if you have fresh agricultural produce not very many, it can last for more than a month, apples maybe those that's grown in the colder countries, but our fruits down here, they are very full, the water content is very high and because of this I think they produce more ethylene gas and the they ripen more quickly at least that's what I was told. So the shelf life for our fruits is a fraction of what it is for like apples or pears or plums or whatever it is, cherries etc. so you have to be careful and that is why it is costing so much with bananas because you cannot ship them ripe, they will squash up, so you got to ship them green and put them in ripening rooms added cost. When an apple is ripe it is ripe you put it in a box, you grade it and then you put it in a box and you ship it out, the same with pears, you cannot do that with bananas. So cost of getting bananas to the market is higher, but if we are going to continue to be in this market we have to satisfy the customers and by satisfying the customers it means satisfying the supermarkets. Anybody who eats the pears, avocado in Saint Vincent, because when the tourist comes here they tell you how nice they are, but you cannot sell them in Britain you know, they too big and this is a fact. The hotels tell you that they too big, they cannot cut them, they want them at a size where they can cut them in two and stuff shrimps or whatever it is in them and serve to their clientele, but our avocado is so big for them to cut one of those they cannot do it and fill it with shrimps, they gonna lose money. So they get avocado, some little swingy things, they have no taste at all, from Israel. And I remember when I was Minister of Agriculture I had asked whether we can do some research into it and see whether we can do a variety of avocado that we can make smaller, I never got around to it. So you have to be prepared to satisfy the customer. I think there is future for the banana industry, but I think we have to meet the market demands and if we do not do this then the industry cannot survive and I think the quicker that they start with it and the quicker that we let the farmers in this country know that they have to play a more meaningful role they have to do better with quality control. That is when we are going to see the headway, improve the industry. Those who cannot compete. certainly of their own accord they would know they are losing money and they will not continue to lose money all the time and therefore would get out of the industry and grow something else, whether it's corn, fruit crops, fruit trees or whether it is. But if we are going to be in bananas, then we have to first and foremost give to the market what it demands.

Mr. Speaker, I have no problem in seeing this Bill through all its stages and that it will have an easy passage, because I am sure that all sensible persons would realize that this is necessary and would certainly, even grudgingly support this measure. I thank you. [Applause]

HONOURABLE MR. SPEAKER: Honourable Member of the Northern Grenadines.

DR. THE HONOURABLE GODWIN FRIDAY: Thank you Mr. Speaker. Mr. Speaker I know its been a long day but we have had a very useful debate on this very important Bill thus far. There are many things that could be said about the predicament of the banana industry. We have heard them over the past few months in various debates in this House. I don't think there is anyone in this House who would doubt that the industry is at cross-roads so the Honourable Minister of National Security should have no doubt that the members on this side of the House understand the need for restructuring and indeed the Honourable Leader of the Opposition has been one of the most consistent and clearest voices on this issue over the past few months and indeed longer. This has been a matter with which he has been very keenly involved and has given a lot of thought and effort too. It is a matter, which the members on this side of the House treat very, very seriously and one, which we feel requires very fulsome debate. This is why we have been..., it might seem to members on the other side, belabouring the point about having the full debate on the full proposals that are to be put forward for the restructuring of the industry. The Honourable Prime Minister in his submissions, provided a lot more detail in response to the questions of the Honourable Leader of the Opposition and to the remarks of Senator Shallow, certainly, it was much more informative than the other presentation of the Minister of Agriculture, because if attempted to deal with some of the more difficult issues that the industry has to confront. Those issues really have to do with what's going to happen to the small people who have been growing bananas all their lives, is there any future for them in the industry? We heard the response of the Honourable Prime Minister that up to about 3500 farmers would be certified, possibly, and we have heard the response of the Honourable Minister of National Security who has said that there will be attrition in the industry as farmers who cannot meet the new standards essentially fall by the wayside or move into other activity. What was evident in his presentation as well, is that very little thought seems to have been given to what happens to those farmers, whether there are 500 or 1400 what happens to those farmers in terms of what can they do with the land to generate income for themselves and their families? I would submit that the growing of corn would not be one of those viable options.

Mr. Speaker, this is a very serious matter. The Bill that's presented here today basically deals with the superstructure of the industry. It deals with who does what.

It doesn't tell you what they are actually doing: the nuts and bolts of what is to be done in the industry. Once more, one of the things that we have had a lot of concern about is that it's very much top down and I don't think that there is any doubt about that. Even the Honourable Minister of National Security can feel that in fact that Cabinet will be running the Association. Even while in another breath he was attempting to say that Cabinet was giving the Committee some leeway in selecting the General Manager. Well I have read the provisions as well and the interpretation that in fact Cabinet does not select the General Manager was a very..., that's right who pays the piper calls the tune. In this case, clause 13 says:

“That the Committee upon prior approval of Cabinet appoint the General Manager.”

Essentially, that means if Cabinet does not approve of the Committee's choice of Manager, the General Manager is not appointed. Contrast that with clause 14 below in which it says:

“All other management personnel and administrative staff of the banana association shall be appointed by the committee, it is no approval of Cabinet except where it proposes to spend \$36 thousand or more.”

So here we have a Committee that is hand picked by Cabinet. All members' hand picked, no consultation with anybody, no prior approval from any, no suggestions or input from any of the stakeholders. It just says very clearly that the Committee is appointed by the Cabinet and then in clause 13, we have this hand picked Committee then has to get the approval of Cabinet to appoint a General Manager. So the interpretation that Senator Leacock give to it, that essentially this is that the General Manager is appointed in fact, if not in law, by the Cabinet is an accurate one and I don't think the Honourable Prime Minister will disagree with that.

Mr. Speaker what I wish to do on behalf of the members on this side of the House is to make it crystal clear because this is as we have all noted in this House, this is an extremely important issue. We have to make it clear that the members on this side of the House recognized the need for restructuring. We recognized the seriousness of it, this is why we say that that discussion must be done in an informed context. The Honourable Prime Minister has said what the proposals are, what was in the original draft of the WIBDECO proposals and that they were sent back for further analysis. But I think it would be useful to the members of the Opposition, and to the stakeholders as a whole, if we could have the document itself and make our own informed judgment as to what it says and to make our own analysis as to how we think it will affect the industry and then where that analysis differs from the members on the other side,

then we have a rebuttal of it and then people form their own opinion as to who they think has the better analysis of it. It's not sufficient for us to have a filtered view as to what's in it, I think it would serve this House better, and all the people who are keenly interested in this issue to know that the members who are elected to defend and represent their interest in this House are speaking with the full information as to what will affect the industry at their disposal, and that is really the essence of what we were saying here that the Bill itself as far as it goes we have problems with its centralized structure the fact that everything is Cabinet driven. We have to be careful of course that this approach is not just a reaction to the fact that the association has had a debt in the past. I hope this is not what was informed in the presentation of the Honourable Minister of National Security. Because we have to be thinking here, in putting forward proposals for the way forward for this industry, that we are guided for what's best for the industry and that there is no punitive intent or that there is any over reaction to what has been in the past.

Mr. Speaker, even after several hours of debating this issue, I still feel that I do not have a consistent sense from the Government side of the House as to what we are really being confronted with, when we talked about the restructuring of the banana industry. The Honourable Prime Minister puts a very favourable or must be my own interpretation, to the changes, but the suggestion or the submission of Honourable Minister of National Security seems to put in something much more serious and drastic for the industry. And this is a matter of concern for us because we think that on this side of the House that people who are going to be affected; it is not just the Government who will be affected. The people who are going to be affected the most are the small people who are growing the bananas and who have been doing so all their lives, they need to know as Senator Shallow has made abundantly clear, they need to know what's going to affect them over the near and medium term. There is no danger of over information in the situation. You cannot treat information on this issue as if it is the preserve of the Government and not that of the other nominated representatives and the stakeholders in the industry. It would be much better if the proposals are put out in an open way, no matter what they say and how the Government feels about them, so that the public can be properly informed and make choices based on that information and this is what we are concerned about, I mean that is the crux of it. It's not a matter about saying that the industry doesn't need to be restructured or it should have been done sooner, the thing that we have to consider is, what are we confronted with? What do we have to work with? And how do we go forward? This Bill is just my submissions a very small part of that. The worse thing that could happen is for the people in the industry to be getting mixed signals, which essentially result in a state of confusion and paralysis for them.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I wonder if my good friend would just give way? If I may sort and clarify something. Part of his argument is based on the discussions about WIBDECO have not involved the stakeholders, far from it. All the documents in relation to WIBDECO were discussed with the stakeholders indeed in the presence of the donor countries and for the first time you had stakeholders present at the meeting of Heads of Government. There were several such meetings here and in St. Lucia, one in St. Lucia and 2 or three in Saint Vincent and also there was a meeting in Barbados at which stakeholders attended. I just want to make the point that these matters have been fully ventilated with the stakeholders. The Banana Advisory Committee consists of thirty something farmers in addition to people from the Board and the Management. I just wanted to say that to allay the concerns of my Honourable friend.

DR. THE HONOURABLE GODWIN FRIDAY: Thank you Honourable Prime Minister. Mr. Speaker, even in view of the explanation and the comments of the Honourable Prime Minister, I would submit that the Bill as it is presented here, it does not provide enough in terms of substance of the changes, in terms of what happens in the production level. That is what the public at large is most concerned about, that is what the banana farmers are most concerned about. What happens at the production level, not just simply what happens at the managerial level and this Bill deals essentially with the managerial level of things.

Mr. Speaker, the Honourable Senator Shallow and the Honourable Senator Leacock and the Honourable Leader of the Opposition were consistent in their presentation in that they all expressed the concern about the lack of sufficient basis on which to properly make a determination and a concern about the structure that's being proposed. What they were called for all was that there will be more information presented and much of that was done by the Honourable Prime Minister in his presentation although as I suggested earlier the documents themselves are to be made available to the larger public and to the representatives on the Opposition side.

Mr. Speaker, beyond what is being proposed in the Bill today, beyond the substantive changes that have been proposed by the experts and the stakeholders who have discussed what's happening with the banana industry. We also have to consider how the banana farmers are reacting, how they are feeling. The Government has to provide assurance to those people. We cannot simply say that if they are not efficient enough then they must just fall by the wayside. We have to understand that these are people who are acting rationally in their self-interest in growing bananas which the State encouraged. If in the current international and domestic economic climate they are no longer able to compete that is through no fault of their own and the Government has to, has a responsibility to ensure that assistance is provided to those

farmers. Assistance goes beyond just simply providing a pension for 300 hundred people. You have to also consider what's to be done with the land that the people used to work and we have to consider how the Government can cushion the transition for those farmers. There will be those who would prosper under the new regime we hope, but there would be those who will fall as the Minister of National Security had said, but in this day and age we cannot subscribe to the view of the sink or swim approach to Government or economics. We have to understand the effect it will have on the lives of those people, of the children who must be sent to school and make provisions to assist them. So beyond what's technically in this Bill for the restructuring essentially of the Management of the Banana Industry, beyond the proposals that have been put forward in the WIBDECO proposals we must also have to think about the more global picture. How are we as a society going to deal with the transition? Who is going to be made to pay the cost? And who will be lending a hand to support to ensure that those people do not fall further and further or behind.

So Mr. Speaker, while it true that in the historical sweep of things changes have taken place. Cotton was king and it's gone, I think that's what the Minister of National Security said, cocoa was king and it's gone, sugar was king it's gone, banana was king and it's [Interjection] well...

DR. THE HONOURABLE RALPH GONSALVES: We stopping it from going and you want it to go.

DR. THE HONOURABLE GODWIN FRIDAY: We made a logical conclusion.

DR. THE HONOURABLE RALPH GONSALVES: We stopping it from going but you want it to go.

DR. THE HONOURABLE GODWIN FRIDAY: It was not my comparison Honourable Prime Minister.

DR. THE HONOURABLE RALPH GONSALVES: No! but he said that is why we have to stop it.

DR. THE HONOURABLE GODWIN FRIDAY: The point that we must all.

DR. THE HONOURABLE RALPH GONSALVES: You itching to oppose this Bill but you can't. [Laughter]. You itching but you can't.

DR. THE HONOURABLE GODWIN FRIDAY: The Honourable Prime Minister in his submission implied that the Members on this side of the House was suggesting that in

the restructuring that we believed that the Minister of Agriculture and the Honourable Prime Minister wanted farmers to be thrown out of the industry. We don't subscribe to those views, we believe that everyone here have the best interest of the banana farmers at heart. What we differ about is how we proceed in protecting those interest and we believe that it's our obligation to ensure that when there is a discussion on such an important issue that it's done on a firm manner and we don't feel that this debate, as it started out anyway, was being conducted in such a manner, because the information was simply not made available in systematic and consistent way. What I would call for, is as we proceed with this important task, that every effort be made to ensure that those people who are affected and those people who had been entrusted with the responsibility of advocating on behalf of affected persons are properly informed about what's coming forward in the industry. What proposals they are, what are the pro's, what are the cons? Let us debate them and put forward the best proposals for the best way forward.

Mr. Speaker, there is one clause that I believe it's 6(1) that both members, Senator Shallow and Senator Leacock have commented on and Senator Shallow made a call that that clause be amended to ensure that banana farmers elect representatives to the Committee and that is a proposed amendment that we on this side feel will as Senator Leacock indicated, bring the banana farmers into the new dispensation as players, as actors, as valued persons in the decision making of the industry, not just simply as the producers.

Mr. Speaker, there is also and will clarify this as the Bill goes through the Committee the..., I think it's clause 20 sub-clauses 5 and 6 that we have some concerns about which will be made clearer when we debate the Bill clause by clause, well not debate, but discuss it later on.

Mr. Speaker, in concluding, my conclusions to this debate, I wish to reiterate for clarity that the Members on this side of the House fully recognized the importance and the need for restructuring the Banana Industry. We believe that the banana industry is viable and we believe that everything should be done to ensure that the best for the industry is achieved in the quickest possible time. I would also like to reiterate the call for more disclosure on the proposals as to what's to affect the industry in the future and for thought to be given to those farmers who will have to leave the industry as it is restructured. Beyond simply giving a handout I mean to use the land productively, what's going to happen to that land? How can we assist those farmers to bring those lands into productive cultivation and to become or to remain productive citizens of Saint Vincent and the Grenadines?

Mr. Speaker, I am much obliged.

HONOURABLE MR. SPEAKER: Honourable Minister of Agriculture.

HONOURABLE SELMON WALTERS: Mr. Speaker, Honourable Members, I would like to thank all those Members on both sides of the House who made contributions to the passage of this Bill on the debate. I will like to respond to some of the things that were said by Members Mr. Speaker. Earlier on in the debate, from the other side Mr. Speaker, Senator Shallow questioned whether or not there is need to change the status quo as far as the BGA is concerned. I would say with all certainty Mr. Speaker that the status quo as it is at the moment with the BGA will change. It cannot be business as usual where the industry is concerned. To survive Mr. Speaker, we have to restructure and I think Senator Leacock understood it very well and said it very well. He also questioned Mr. Speaker, whether or not there is role for the farmers I think he said the BGA and the farmers have been arrested by the Cabinet, that will not be a bad thing.

Mr. Speaker I will like to point him to clause 15 in the Bill to show the roles of the farmers in the new entity. Clause 15 section 1:

“There is established an assembly of banana growers which shall replace the existing district branches established under the former Act”

Mr. Speaker, under the former Act the grouping of the district farmers was refer to “as a district branch.” In this new Act it will be refer to “as the assembly of farmers” that is at the district level. At a national level, clauses 15 subsection 2:

“The Assembly will be maintained at the national and district level and will be called upon by the Committee from time to time for advice on pertinent matters pertaining to the restructuring and functioning of the banana industry.”

So Mr. Speaker, there is a role for the banana farmers in the new restructuring. It doesn't mean that the farmers are going to be thrown out, they will have no say, they will have no part. The decisions, ideas would be canvassed at the district level, at the national level, these would be communicated the national level to the BGA and the BAC and put into policy formation for the proper functioning of the new entity.

So Mr. Speaker, they would be involved and would always be involved, because as I said earlier on the farmers are the most important part of the entire industry. Mr. Speaker, with regards to the duty concession on vehicles for farmers that was addressed by the Prime Minister and the Minister of National Security in terms of the

movement of bananas on the trucks to town up to the port. The way to go Mr. Speaker as we are proposing is that we palletize at the district level and move from there right up onto the ship to cut down on the cost of handling and also to cut operational cost at the port level.

Mr. Speaker, the Leader of the Opposition questioned how are we going to cut production cost to make the industry more competitive? The Government has some proposals as to how we cut production cost. Mr. Speaker, the Government will embark on a feeder-roads programme in the up-coming year. Already these roads are being noted, special priority will be given to those feeder roads in the banana producing areas to ensure that farmers have direct access to their farms and in doing so will be able to cut production cost. We are hoping also Mr. Speaker, to strengthen the extension arm of the BGA in conjunction with the Ministry of Agriculture to ensure that farmers can raise their yield per acre. To this extent, our hi-density programme, a new technology been experimented with in the Langley Park district would be transferred to farmers in other parts of the country to ensure that can improve on yield per acre.

Mr. Speaker, many of the questions asked by the Leader of the Opposition has been answered by the Prime Minister in fact, let me say that the WIBDECO paper was simply a discussion paper. Much of what was said in that paper are not things that are hard and fast, are not things that are policy. In fact Mr. Speaker, when the Leader of the Opposition spoke about 2400 farmers to be evicted from the industry, I wrote here arbitrary number. It is very easy to throw forth an arbitrary number and say that is what is going to happen. Mr. Speaker nothing like. It was just a discussion paper from which would be taken whatever is good to go into the new entity and much of that was used Mr. Speaker in formulating the Bill before us.

Mr. Speaker, Senator Leacock mentioned about a word 'quality' not being mentioned anywhere in the Bill, but clause 17 section 1, did indeed mentioned the Chief Agricultural Officer will play a role to ensure that the farmers produce the right quality that is necessary for the market and I think the Minister of National Security did expand on that. He did mention also Mr. Speaker, his concern that the word 'Industry' is not highlighted in the Bill. But they don't even know Mr. Speaker that the word itself is not highlighted, we have the essence of the industry, because we have the bananas which are the primary product, we have the growers, we have the association, we have marketing company, we have the consumers, so in that Mr. Speaker you have the essence of the industry being brought out in the Bill.

Mt. Speaker, the Member from the Northern Grenadines had nothing to say. In fact what he said and I wrote it down here summarizes his entire presentation. After

several hours I still do not have a sense of what we are about to do, he had nothing to say.

In conclusion Mr. Speaker, I would like to on behalf of the Ministry of Agriculture Lands and Fisheries, express my appreciation and thanks to a number of people who made the bringing of this Bill to Parliament a success and who worked hard to ensure that the restructuring exercise is well on its way.

First of all Mr. Speaker, the Prime Minister, he is not the Minister of Agriculture, but Mr. Speaker, the Prime Minister went out of his way and took it on upon himself to ensure that the restructuring exercise got off to a good start and being also the spokes person for bananas at the CARICOM level, he took it on upon himself Mr. Speaker and from the Ministry stand point, I wish to offer him my appreciation. [Applause]

Mr. Speaker, we must also extend our appreciation for the work done by people like Renrick Rose, the Chairman of the Banana Advisory Committee. I think he did a good job in bringing it thus far [applause]. The Deputy Chairman of that Committee Mr. Cecil Ryan, he also did a very good job. In fact Mr. Speaker, he took on the Chairmanship of the consultations that we had in Georgetown, in Marriacqua, and down in Chateaubelair and these are people who are not necessarily banana farmers, they are stakeholders and patriotic Vincentians who give of their time freely to ensure that banana does survive.

Mr. Speaker, the Chambers of the Attorney General. Long hours at nights working hard to make sure that this Bill comes to Parliament [applause] and come in good pieces. Mr. Speaker, the staff of the AG's Chambers went with us long nights in the districts to explain this Bill to the farmers and other stakeholders of the industry and our appreciation to them is again given.

Mr. Speaker, banana farmers such as Victor Hadley, Errol 'Noble' Davis and those 30 farmers who came together sometimes on Sundays to put forward their ideas to discuss the proposals, the discussion papers from WIBDECO, to put ideas together for the Bill, all those farmers to them on behalf of the Ministry, I express heart-felt gratitude.

Mr. Speaker, the Management of the BGA, Mr. Keizer and his staff, they also must be considered for heart-felt praise. In fact Mr. Keizer, Mr. Speaker went with us in the districts and explained to the farmers and the other stakeholders the plight of the BGA and he also offered his ideas as to the way forward and to him also we offer our heart-felt gratitude [applause]. For those five Board Members elected Mr. Speaker on the Board of the BGA who took it upon themselves also to give of their time and their

ideas, to them also we give our appreciation and to all those banana farmers who give us of their ideas whatever side of the political divide they might stand, we offer them also our heart-felt gratitude. It is good to note Mr. Speaker that many of the farmers who are known N.D.P supporters are strongly supporting the restructuring of this industry and yet we hear Senator Shallow saying that is not supporting the legislation. I hope he will change his mind as move Mr. Speaker to the Committee stage.

Mr. Speaker it now gives me pleasure to move that the House resolves itself into a Committee of the whole House to consider the Bill clause by clause.

House went into Committee.

House resumed.

Bill reported, read a third time by title and passed with several amendments

DR THE HONOURABLE RALPH GONSALVES: Mr. Speaker, it is unlikely that they would have been able to get through another Bill for this evening and in consultation with the Leader of the Opposition we agree to take the Cotonou Agreement and we have the understanding that I will simply present it and he on the other side will speak on the matter so that we can..., since it is not a controversial matter and the previous Government had in fact signed the Cotonou agreement and is our duty now to have it ratified.

Mr. Speaker in view of the accommodating position taken by the Leader of the Opposition, I am suggesting some changes in the first three limbs of the preamble very small changes but important and in the operative section of the motion, the resolution itself. And what I was suggesting to replace whereas the Unity Labour Party Government has committed itself to work towards that we say whereas successive Government in Saint Vincent and the Grenadines have committed themselves to working towards. And let it be said Mr. Speaker that in the same spirit that I had proposed these and the Leader of the Opposition accept successive Governments in Saint Vincent and the Grenadines have committed themselves to working towards and then in the second limb, instead of the Government of Saint Vincent and the Grenadines we have the House of Assembly of Saint Vincent and the Grenadines and instead of the Government in 3, we have the House of Assembly. And in the resolution, the operative part of the motion Be it resolved that this Honourable House register its approval of the ratification of the Cotonou Partnership Agreement (attached hereto) and sanction the efforts of successive Governments to eradicate poverty and achieve sustainable development in our society. And I believe Mr. Speaker that I proposed those amendments and I think that perhaps it's only right and proper since I discussed them with the Leader of the Opposition and he has consented that..., I invite him to indicate that he seconds these amendments.

HONOURABLE MR. SPEAKER: Kindly move the motion.

MOTIONS

DR THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I beg to move the motion on the Contonou Partnership Agreement in the terms spelt out Mr. Speaker.

HONOURABLE VINCENT BEACHE: Second the motion.

DR THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I will read it very swiftly.

WHEREAS successive Governments in Saint Vincent and the Grenadines have committed themselves to work towards the eradication of poverty, sustainable development and the integration of the group of African, Caribbean and Pacific States (ACP) into the world economy;

AND WHEREAS the House of Assembly of Saint Vincent and the Grenadines has shown its willingness to revitalize its relationship with the ACP States and the European Union and implement a comprehensive and integrated approach for the strengthening of this partnership through political dialogue, development co-operation and economic and trade relations;

AND WHEREAS the House of Assembly acknowledges that there are certain prerequisites for the good working relationship of this Agreement such as a political environment which guarantees peace, security and stability, respect for human rights, democratic principles and the rule of law;

AND WHEREAS Saint Vincent and the Grenadines signed the ACP/EU Partnership Agreement in Contonou, Benin on June 23rd, 2000;

AND WHEREAS the Government of Saint Vincent and the Grenadines has indicated its intention of ratifying this Agreement and depositing its instrument of Ratification with the General Secretariat of the Council of the European Union during this year;

BE IT RESOLVED that this Honourable House registers its approval of the ratification of the Contonou Partnership Agreement (attached hereto) and sanction the efforts of successive Governments to eradicate poverty and achieve sustainable development in our society.

DR THE HONOURABLE RALPH GONSALVES: Mr. Speaker, the Cabinet has already formerly taken the decision of ratification of the Cotonou Partnership Agreement, but we have found that too often agreements of this kind, they are ratified by Cabinet, instruments are entered into without a formal approval by the House of Assembly and we believe that this agreement is of such a nature as will be made clear from my brief presentation that we ought to bring it here to Parliament so that Parliament gives its approval, the House of Assembly gives its approval to the ratification which the Executive is conducting in relation to this Cotonou Partnership Agreement. It's unfortunate that the matter is being discussed of this great importance that no member of the press is in the House. I am hoping that they are in fact listening on the radio, because we will come back, time and again for this agreement and we may hear how is it that people don't know about this agreement. Well we are speaking directly to the people but certainly we need the filtering process of the press, this is not a critique of the press, this is only making an observation. I know members of the press are, I mean a number of media houses, they are under staffed and so on and so forth, but I simply make that observation.

Mr. Speaker, Honourable Members, Cotonou Agreement is the name given to this new agreement between the ACP States and European Union and was signed in June 2000. This agreement replaces the LOME convention, which was in existence for 25 years and under which the ACP/EU Partnership operated. LOME Convention has been a unique model. It served the ACP well and undoubtedly contributed to the development of the ACP countries including Saint Vincent and the Grenadines. However, evaluations about its success have been mixed for example it has been shown that the financial aid to the ACP countries very often took insufficient account of the institutional and policy context of the partner country including the level of institutional capacity. Consequently, the viability and effectiveness of corporation has been undermined to the extent of that lack of a full consideration and appreciation of the context in the partner country. Further, the impact of non-reciprocal trade preferences has been disappointing. ACP's countries share of the European Union Market declined from 6.7% in 1976 to 3% in 1998 and still about 60% of the total exports are concentrated in only ten commodities, ten products. It also became very clear that given the pace of globalisation and technological development, the LOME Convention needed to adopt to ensure greater consistency or to ensure consistency with the world trade organisation. In recognition of all these concerns, the Cotonou Agreement was concluded. The new Agreement will be affected for 25 years and that's why I said it's very important that this is the major multilateral aid trade development assistance agreement, this one and it's critical that we know it, we understand it. And it's effective for 25 years with a clause allowing for the revision every 5 years on a financial protocol for each 5-year period. This new Agreement is the world's largest financial and political framework for North, South Co-operation.

Negotiations Mr. Speaker, Honourable Members, started in September 1998 and after 18 months of intense, sometimes combative debate a successful conclusion was arrived at early in February 2000. The signature of this Partnership Agreement took place in Cotonou in Benin, the African country. Some components of the Agreement will be reviewed if necessary every year, such as implementation procedures for financial support or sectorial policy guidelines for example. The ACP European Union Council of Ministers which, as a rule will only meet once a year will be responsible for these adaptations. So that I want to say this, that when the members of Government have to take a trip to go to ACP/EU Council of Ministers meeting, I really don't want to hear people saying, they gone all the way to Europe or Africa wherever this meeting is taking place, 'way they going dey fo'. You have to address the implementation procedures for the financial support or the sectorial policy guidelines among other things. We have to be monitoring this all the time and this is out of which multilaterally we will be getting most assistance.

This new approach should allow for more flexibility and the opportunity to adapt the corporate system to changing realities. The new agreement clearly defines a prospective that combines politics, trade and development. It is based on five interdependent pillars. These five are as follows Mr. Speaker:

1. A comprehensive political dimension.
2. A participatory approach.
3. A strengthened focus on poverty reduction.
4. A new framework for economic and trade corporation.
5. A reform of financial corporation.

Regarding the political dimension of the Agreement, emphasis will be placed on the key role of political dialogue. This dialogue should allow ACP and EU Countries to address all issues of mutual concern and to ensure consistency and increase impact of development Corporation. It will be conducted in a flexible manner within and outside the institutional framework at national, regional or ACP levels. Attention will also be paid Mr. Speaker, Honourable Members, to peace building policies, conflict prevention and resolutions. The essential elements here are respectful human rights, democratic principles and the rule of law. So that when I have made the point repeatedly that good governance is not just simply a political question, it is an economic issue of the first order. And from time to time, many of our supporters, both political parties,

would want us to behave in ways which do engender good governance and to the extent we do not do that, it not only affects ourselves as a democratic society but very importantly it makes it very difficult for us within the context of the Cotonou Partnership Agreement and other relations of an economic kind. So I repeat, good governance is not simply a political or democratic question; it is an economic issue of the first order [applause]. The Agreement calls to a commitment to good governance as a fundamental and positive element of the partnership. A subject for regular dialogue and an area of active European community support. The new Agreement also contains innovative provisions to promote participatory approaches to ensure the involvement of civil society and economic and social players. The exercise, which we just went through in preparation over the last four weeks for the making of the speech, which I made on Thursday, is part of that exercise. The various bodies which we have set up of a consultative nature and some very important bodies involving all of civil society, they are part and parcel of this movement in which we are involved for good governance and the promotion of participatory approach and how is this done. We do this by providing them with information on the ACP European Union Partnership Agreement and in particular within ACP countries ensuring the consultation of civil society on the economic, social and institutional reforms and policies to be supported by the European Union. Facilitating non-state actors involvement in the implementation of programmes and projects and providing non-state actors with adequate support for capacity building and encouraging net working and links between the ACP and the European Union actors.

The New Agreement Mr. Speaker, Honourable Members, renews the focus of poverty eradication. Indeed, poverty eradication is the central objective of the new partnership as formulated in the general provisions of the agreement and in the provisions that will guide development strategies. These include among other things, development strategies will be tailored to the individual situation of each ACP country and corporation will promote local ownership of economic and social reforms. And the integration of the private sector and civil society actors into the development process will be promoted. Consultations will take place with non-state actors on country development strategies programming and community support. All of these things we are acting out, every one of them since we have come into office. This integrated approach reflects the complex and multi-dimensional nature of poverty. It puts emphasis on three focal areas for support, economic development, social and human development, regional co-operation and integration. With respect to economic and Trade Co-operation the objectives are:

1. To promote smooth and gradual integration of ACP economies into the world economy.

2. To enhance production supply and trading capacities.
3. To create new trade dynamics and foster investment.

The financial resources available are as follows:

The ninth European development fund, Euros \$13.5 billion, I want to say Mr. Speaker, and I have here the rate per yesterday. I don't have the rate for today of the Euro it's 2.54521 E.C dollars to a Euro. It's less than the U.S., it was much less but it's rising recently. So when we think of a Euro we think of close to \$2.50 at the present time 2.45. Of this 9EDF Euro 13.5 billion, long term allowance 10 billion Euros, regional allowance 11.3 billion Euros, investment facility 2.2 billion Euros, remaining balances from previous EDF 9.9 billion Euros, EIB (European Investment Bank) own resources 1.7 billion Euros.

For Saint Vincent and the Grenadines financial resources from the ninth EDF may be some where in the vicinity of the eight EDF, which is approximately 6 million Euros. Additionally, Cariforum has recently been advised of an allocation of 57 million Euros for the ninth EDF. Saint Vincent and the Grenadines should ensure that its benefits come from this allocation. Right at this moment Mr. Speaker, the Honourable Deputy Prime Minister is in St. Lucia where a meeting of Cariforum will be taking place later this week where this particular issue about allocations will be taking place and officials from the Ministry of Finance and Planning are with him. I make this point again, because sometimes, it always happens. There are some travel which are just simply absolutely necessary because we have to try and get out share now out of the 57 million Euros for the ninth EDF. That's in addition to approximately 6 million Euros which we have. To conclude, the major innovations of the new agreement between the European Union and the 71 African, Caribbean and Pacific countries can be summarised as follows:

The Agreement will among other thing enhance the political dimension, explicitly addresses corruption, promote participatory approaches.

Involve civil society in the reforms and policies to be supported by the European Union.

Refocus development policies and poverty reduction strategies.

Base the allocation of funds not only on assessment of each country's needs but also of its policy performance.

Create an investment facility to support the development of the Private Sector.

Rationalize instruments and introduce a new system of role in programming, allowing the community and the beneficiary country to address regularly their corporation programme.

Decentralized administrative and in some cases financial responsibilities to local level with the aim of making cooperation more effective.

And improve the policy framework for trade and investment development and enhance cooperation in all areas important to trade including new issues such as labour standards and linkages between the environment and trade.

Before the Cotonou Agreement takes effects Mr. Speaker, Honourable Members, the respective signatory parties must first ratify it. Done so at Cabinet, we are now in the process of proving that ratification.

Article 93(3) of the Agreements states:

The Agreement shall enter into force on the first day of the second month following the date of deposit of the instruments of ratification of the member states and of at least two thirds of the ACP States and of the instruments of approval of this agreement by the community. So when we are finished with the exercise today we will make the transmission, which we will put this ratification as we have indicated in the motion. We'll deposit the instrument of ratification with the general secretariat of the council of the European Union during this year.

Mr. Speaker, since we have an agreement on this matter and I believe I spoke on this issue for every member here in the House. I would like us to have a unanimous approval of this motion. I'm obliged.

HONOURABLE MR. SPEAKER: Thank you. The Honourable Leader of the Opposition.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, I have taken out of the report the amendments proposed by the Honourable Prime Minister, which he has discussed with me and I am pleased Mr. Speaker that there is some recognition of something that we in the New Democratic Party Administration worked very hard on during the period 1998 to 2000.

Mr. Speaker, as the Prime Minister indicated, this is a very important Agreement. It's probably the most important of all the agreements that we have signed and as he indicated, this Agreement between the 71 ACP countries and at the time 14 EU countries is the largest such Agreement in the world. Mr. Speaker, our country has played a very significant role much beyond our size in the negotiations leading up to this Agreement. There were two members of the former Cabinet who played important roles, Minister Horne served as a member of Committee Three, which dealt with the trade issues and I myself served as the Deputy Chair of the Committee that dealt with financial issues, but in the last six months of negotiations Mr. Speaker, Minister Horne was President of the African and Caribbean and Pacific countries and therefore in that context was in-charge of the negotiations as Chairman for the 71 countries to the ACP and I think his work has been well recognized and his performance applauded during that 6 month period when he was presently at ACP. This is when the Agreement was effectively concluded. That is why I said we played the far beyond our size in so important an Agreement. The agreement of course covering a period of 25 years is very comprehensive and I think the Prime Minister has already outlined the 5 major categories and there is no need for me at this stage to go over them. I just wish to point out in terms of its comprehensiveness, but apart from political matters and matters for safety be central and fundamental like human rights and so forth and the role of law. The Agreement covers just about every topic you could think of in terms of relations between countries. Youth issues, trading services, maritime trafficking, technology, growth, information and communication technologies, competition policy, intellectual property rights and a whole host Mr. Speaker of subjects all parts of the development process. But I wish Mr. Speaker to draw our attention to article 60, which deals with the scope of financing because it impinges on some the discussions that we held today when we discussed the banana industry.

Under the old LOME Agreement Mr. Speaker, we had what we called STABEX. Under the new Cotonou Agreement STABEX disappears. So we are no longer going to find ourselves as soon as we get hit by a hurricane, being able to make a case and draw down, although there is some provision for some mitigation in relation to the export earnings. This system is completely different and you will be assessed not only on the basis of the hurricane or whatever disaster there was, but on other matters in relation to what you would be able to draw down. So I think this is a matter, which is of great concern to the ACP Countries when this is being negotiated, because STABEX was a separate fund as they called it a separate envelop. What has happened now is that STABEX has been collapsed and lumped with a number of others and if you look in article 60 you would see under scope of financing and I quote:

“The scope of financing may include inter alia depends on the needs and types of operation considered most appropriate support to measures, which contribute

to attenuate the debt burden and balance of payment problems of the ACP countries macro economic and structural reforms on policies and

- c. Mitigation of adverse effects of instability on exports earnings. That is in effect what has replaced STABEX and the arrangements that now come into play.”

So if we have hurricane at some point in time or blow down in our bananas, we cannot expect to benefit as easily as we had in the past from what we knew as STABEX. I think it is very important for us here in Saint Vincent and the Grenadines and the rest of the Windward Islands.

Mr. Speaker, the Prime Minister alluded to the amount of money that is covered by this Agreement in the billions of dollars and sometimes when I look at the totals in the Agreement, you can say that our allocation is but a drop in the bucket, because here you term that Saint Vincent with an allocation of 6 million Euros and you have maybe a total say of about 25 billion Euros being covered under this Agreement. So you can see that we are already small in the scheme of things. The bulk of this of course would go to the African countries who are in fact the major beneficiaries of the finance that comes from the European Union. But I want to repeat Mr. Speaker that is consistent with the general trend where we are classified as a middle income developing country and therefore you would find more and more that the greater proportion of the resources and indeed the great bulk of the concession on the resources would go to those countries that are regarded as late developers and we are no longer categorised in that manner. And this to some extent explains apart from our size the miniscule nature of the contributions that would come not only to Saint Vincent and the Grenadines, but the rest of the O.E.C.S Countries and indeed some of the other CARICOM countries. With those few words Mr. Speaker, I give our support to this motion.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, there is no need for me to any winding up of this motion and we have read the motion already...,

HONOURABLE MR. SPEAKER: Just do the resolution.

DR. THE HONOURABLE RALPH GONSALVES: And I just want Mr. Speaker as you have requested simply, the question to be put in relation to the operative part of the motion.

Be it resolved that this Honourable House register its approval of the ratification of the Cotonou Partnership Agreement attached hereto and sanction the efforts of successive Governments to eradicate poverty and achieve sustainable development in our society.

Question put and agreed to.
Motion passed.

HONOURABLE VINCENT BEACHE: Seconded the motion.

SUSPENSION

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I beg to suspend/adjourn the sitting until tomorrow morning. Suspend it until 10:00 O'clock.

*Question put and agreed to.
House suspended accordingly at 9:45 p. m.*